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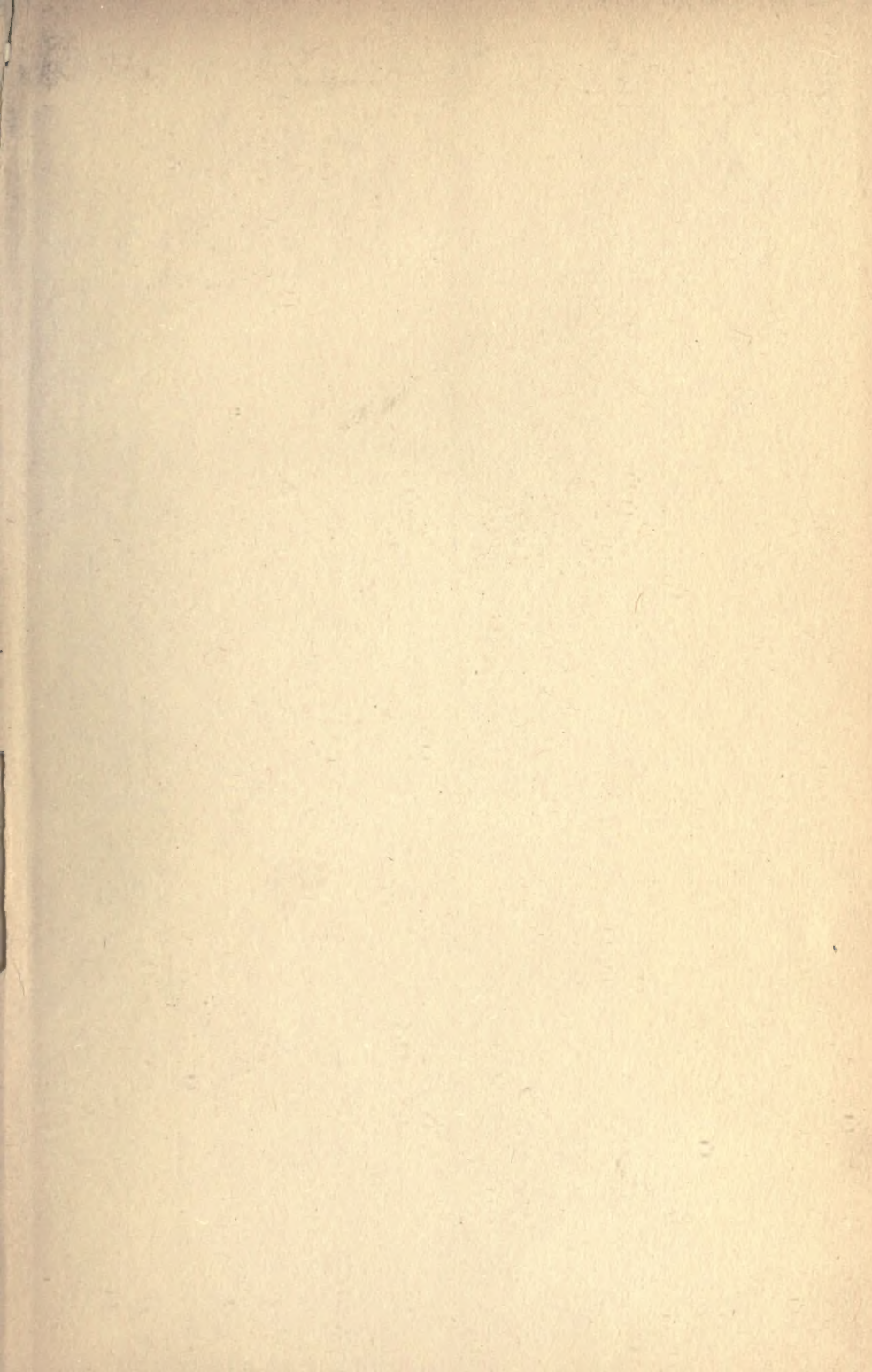
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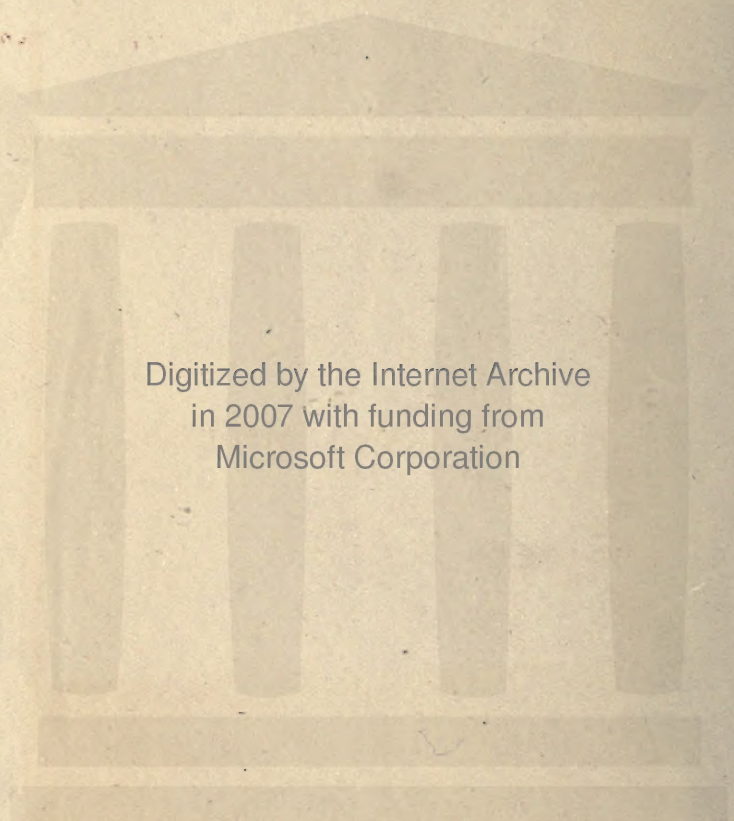
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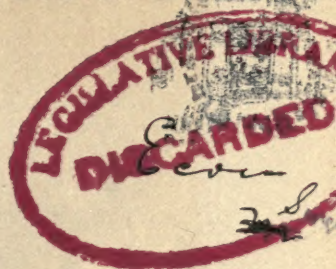


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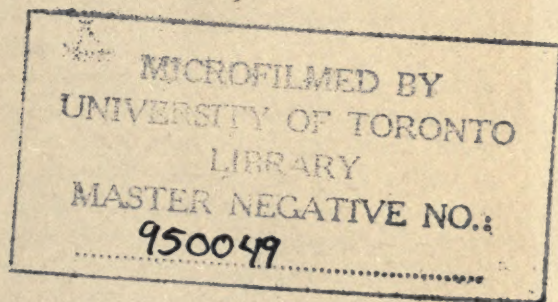
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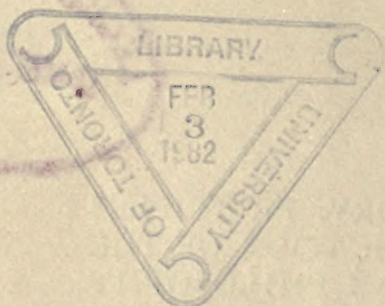
THE HISTORY, PRINCIPLES
AND APPLICATION OF THE
SINGLE TAX PHILOSOPHY

JOSEPH DANA MILLER
EDITOR



SINGLE TAX REVIEW PUBLISHING COMPANY
SUN BUILDING, NEW YORK CITY
1917





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PREFACE

One of the purposes of this work has been to provide a handy source of information as to the progress of the Single Tax movement in all countries where its teachings have found a lodgment—and these include nearly every country on the habitable globe. We have not dwelt as fully as we might on the history of the movement in this country. Prof. Arthur N. Young, in his admirable *History of the Single Tax Movement in the United States*, has told the story *in extenso*, with sympathy and discrimination, yet with judicial impartiality. But we have included accounts of material episodes in the history of the movement, and of such limited applications of the principle as mark its progress during the last two decades.

So far as practicable controversial matter has been excluded. While of necessity much has been said of matters still in dispute, the aim has been rather to include as many of the agreements as could be found, for, after all, while controversy is essential in order to arrive at correct conclusions, it is along the line of our agreements that we advance.

We have refrained from quoting extensively from the writings of Henry George—these may more profitably be consulted in the original sources. We have considered the Year Book rather as a supplement to the writings and the work of Henry George than as in any sense a compendium thereof. If to any inquiring reader we have suggested the desirability of a closer acquaintance with the great liberalizing philosophy of the foremost economic thinker of all time, it is as much as we could hope to achieve in a work of the present limits and character.

Nor did we design to furnish an exhaustive discussion of those fiscal problems intimately related to the movement so inadequately designated as the Single Tax, a name inadequate because it defines only the method of attaining the ideal and not a great

economic and social philosophy. We have indicated, however, objections to fiscal methods now in operation, and others suggested as substitutes, which are difficult, inefficient or inequitable in operation and objectionable in morals. In this connection, and for further instruction along these lines, *Natural Taxation* by Thomas G. Shearman, and *Principles of Natural Taxation* by C. B. Fillebrown, are to be recommended.

The "Answers to Questions" in this volume embrace a few of the chief objections that occur to the inquirer, and are dealt with in a distinctive manner by a writer noted for his individuality of style. There is no claim that these are inclusive of all the difficulties that present themselves. They may be fittingly supplemented by those contained in the *Outlines of the Single Tax*, by Louis F. Post.

The article on "Socialism" is designed to contrast the easy and plausible philosophy of socialism with the more difficult doctrine of the Single Tax that reconciles the theory of individualism with the true conception of social well being—the *ultima thule* of the economic explorer. The reader who would pursue the subject further is referred to that truly admirable work, *Democracy versus Socialism*, by Max Hirsch.

The article on "The Trust" cannot, in the space at our disposal, do more than give a glimpse of that natural law in the economic world which we must trust more fully if sound conclusions are to be reached, and popularly misunderstood terms, like Competition, Combination, Monopoly and Privilege are to be clearly defined and apprehended.

The article on the "Forerunners of Henry George" contains a summary of those who anticipated the teachings of the author of *Progress and Poverty*. It is wonderfully inclusive of those who saw glimpses, often more than glimpses, of the truth which Henry George proclaimed. It will be a revelation to many of the great age of the principle which it was Mr. George's lasting credit to seize and focalize.

In the preparation of this book we have to acknowledge our indebtedness to W. I. Swanton, of Washington, D. C., for the original suggestion of the need of such a work; to George White,

of Hackensack; to P. J. Markham, of Australia; to Mrs. Daniel Kiefer and Charles Frederick Adams, for labors of translation; to W. A. Douglas, of Toronto; to A. C. Pleydell, for continuous aid and suggestion; and to Prof. Arthur N. Young, of Princeton, for his valuable bibliography; to all the contributors represented in these pages, and to those whose work was omitted for considerations that seemed to us warranted by the nature of the work. There must remain great uncertainty as to what should be included and what omitted from a book of this character, and we can only rest in anticipation of suggestions from the many friends of the movement as to future issues of this work.—EDITOR.

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INTRODUCTION

THE PHILOSOPHY OF FREEDOM

The movement whose modern impulse dates from the publication of *Progress and Poverty* in 1879 has now grown to formidable proportions. This does not mean that there are not many thousands to whom the name of Henry George or the Single Tax is wholly unfamiliar. It does not even mean that to a majority of the people of the United States the philosophy which has become the breath of intellectual life to so many, is anything more than a name. But it does mean that what Matthew Arnold called "the saving remnant" of the people have embraced in whole or in part the truth which Single Taxers contend for, and that it is to be regarded with respect and consideration in determining their attitude toward political and economic problems as they arise. By that mysterious influence which determines the circulation of great ideas among men whose minds undergo what for want of a better term we may call "saturation," the Single Tax is today a very real and growing power in the world.

This is shown in many ways: in the changed attitude of public officials toward the movement itself; in the recommendations of State tax commissions and the luminous revelations of many of the reports of independent tax commissions; in the hospitable reception accorded to our doctrines by farmers' organizations, State and national granges, and, perhaps more significant than all, by the organized socialists, notably those of Western states, as Texas and California.

What this testifies to is not that all the world is coming to our belief, but that public opinion is being "mobilized;" that instead of having to deal with unorganized and incoherent forces privilege will soon have to contend with a thoroughly equipped army

whose plan of campaign has long been mapped out, and whose massed forces have finally agreed for an advance on the enemy's *point d' appui*.

That much still remains to be done along educational lines is apparent. The realm of argument is yet full of discordance. The professorial class have numbered a great many hostile critics, but a distinct change is noticable, and the Single Tax philosophy has secured in recent years many notable adherents among the professors of political economy.

The nineteenth century closed in a series of dazzling intellectual triumphs. Steam and electricity had reached developments which opened vistas before which the imagination was able to contemplate a civilization rounded and complete. There seemed indeed no limit to the heights to which material development might not attain.

And more: as the twentieth century opened the sphere of human sympathy was widened. The sense of brotherhood assumed new meaning. At no time in the world's history, it seemed, were men and women so busy in devising ways and means of service. Unprecedented sums were expended in charity and schemes of philanthropy, in the investigation of diseases, in the amelioration of human suffering. Humanitarian ideals seemed for a time destined to complete triumph. Socialism, with its gospel of brotherhood, claimed its disciples even among those of the highest station. Men embraced it who were frankly distrustful of its practical aims. Pulpits became rostrums for men and women with dreams for social betterment. An enormous mass of books treating of social questions came from the press in a steady stream. Novels dealing with social problems and frankly critical of long existing institutions, like Bellamy's *Looking Backward*, and *No. 5 John Street*, and the novels of John Galsworthy, as well as innumerable plays based upon the conflict of capital and labor, held the public attention almost to the exclusion of topics with which drama and fiction had been hitherto chiefly concerned.

Surely a century out of which a vision of promise might have been prefigured! But with 1914 the era closed in blood and

flame. Europe and America were finally engulfed in the most hideous calamity that has ever appalled the centuries. And the end is not yet.

In the variety of theories that have been ascribed as the origin of the present war, one great fact stands out. *The mass of men are disinherited from the earth.* To live at all they must ask the permission of kings and princes of privilege. In such a state of society the mere forms of democracy must remain shadowy and unsubstantial. They do not enter the life of the laws by which men are governed, but are ignored or set aside at the will or whim of those who control the government. Peoples become the easy prey of political kings and princes, to be commanded to their own destruction, or deluded by the grossest superstitions of prejudice or carefully nurtured national hatreds. Until men are really free, economically as well as politically, wars and the fears of war must continue. International conflicts are only a little more bloody and spectacular than the suppression of free life and the resultant killing of the spirit that social injustice entails.

The importance of events that attend the present war is no greater than those that impend as consequences. Just as other great wars in history have been followed by results not foreseen, so the results of this one are certain to be in proportion to the magnitude of the conflict. To say that the world will never be the same for millions of human beings is to utter what now sounds like a commonplace.

If it is a war to make the world safe for democracy, the most vital thing that can be done is to alter the economic relations of men. We may differ as we will on the results of war, yet the effects of wars hitherto have been rather for the amalgamation than the separation of peoples. Had these amalgamations resulted in permanent economic changes for the better we might indeed have regarded more philosophically the outpourings of blood and treasure. But the retention of the same economic disorders following conclusions of peace has left in the ground the same seeds of dissolution, so that resultant political unity has actually strengthened the influences that make for national

decay. So if out of the present world war emerges the new internationalism of which so many eager spirits speak longingly and hopefully, we shall welcome it only if accompanied by the recognition of the Rights of Man—which mean the rights of the individual, not so much the rights of men or nations. And these rights—what are they? Are they not summed up in the little understood term democracy—the right of a man to himself, the right to a place on the planet, the right to person and product, the right to live, produce and trade without tribute to any man in all the earth?

There is much to hope for, but the path stretching before us is a long and tortuous one, and beset with dangers. Much is happening and much is being said and taught not a little disquieting. Here for instance is a work recently issued by the Harpers and written by Charles P. Steinmetz, *America and the New Epoch*. It calls for industrial organization after the war. The example held up to us for emulation is Germany. We must imitate the industrial organization of that country, or resign ourselves after the war to become like China a “field of influence,” to be parcelled out as the Yellow Kingdom is today. Yet Mr. Steinmetz seems to have some little doubt of the existence among us of the collectivist temperament that has made of Germany a machine without a soul. The *New York Globe* asks editorially if Edward Bellamy, “writing more than a score of years ago was a true prophet and will we have conscription for peace as well as war.” And the *Globe* seems to incline to the acceptance of some vague collectivist programme.

In the *North American Review* for April the editor, George Harvey, says: “It is time for America to awake to the importance of fulfilling more perfectly the provision of the Constitution (namely, to provide for the general welfare). The principle of *laissez faire* will no longer serve our purpose in the increasingly intense competition among nations. . . . We ought to realize the necessity of universal co-ordination between the government and private industry as the only rational and effective method of securing the industrial and commercial efficiency which will enable us successfully to defend ourselves and improve our

opportunities in the era of restored peace which will presently come to the world."

It would be a curious outcome of the present conflict if Germany defeated in the war should win in the economic field of America. And this testimony from eminent sources shows the dangers of just that kind of economic victory. For with the termination of hostilities we shall be confronted with a large standing army, always a menace to liberty. To keep this army alive the people must be fed on rumors of war and the war spirit. We shall be told of "the Japanese menace;" Mexico may serve again as "a good enough Morgan." A large navy may tempt us to a Chinese policy in the interests of American concessions which will bring us face to face with Japan. Liberties that we have yielded readily enough through patriotic devotion for a successful prosecution of the war may not be so easily recovered in the days when the war ends. We may be face to face with the gravest situation that ever confronted the Republic.

What is the most powerful influence opposed to these tendencies that will gather strength with the war's aftermath? We cannot, unfortunately, depend on the socialistic movement. There is a certain consanguinity, both philosophically and practically, between Socialism and the type of thought which lends itself, consciously or unconsciously, to those forms of governmental supervision of industry which its friends call "collectivism" and its enemies "Prussianism."

Bismarck understood the intimate kinship between fraternal collectivism and alien governmentalism. The ablest and perhaps the last imperialistic statesman of our times used socialism to build up a paternalistic government and the most monstrous military machine of all time. The dream of a more equitable distribution of wealth, not by throwing open natural opportunities to employment and trusting the natural laws of distribution, but by artificial means and devices of State regulation, was stolen by Bismarck while the friends of liberty slept—and lo, Germany became an industrial autocracy over-night. A curious metempsychosis accompanied the transformation. Democracy disappeared from the minds of all but a few—Socialism became as

autocratic as Junkerdom. Bismarck had triumphed over his enemies by swallowing his enemies whole and announcing their programme as his own. It was the most notable triumph of that rapacious combination of blood and iron that ever determined the destinies of States. The hope of democracy died in Germany the day Bismarckism was married to Marxian socialism.

In view of the fact that socialism, despite its high aims and dreams of human brotherhood, is powerless to combat this tendency, because of a curious affinity with those forces which would destroy liberty by the regulation of industry, to what influences shall we appeal? Surely we can only invoke in this extremity the philosophy which is its antithesis, the philosophy which would trust the natural law of economic freedom, which has certain well-defined notions of individual rights, of the beneficent laws of free competition under conditions where long existing institutions that make for the unequal distribution of wealth shall cease to exist. This is the philosophy which considers human values rather than the avoirdupois weight of the nation's total product, and measures efficiency in the value of the human soul to the community rather than in the material output of the human machine.

And this philosophy is that of the Single Tax. It goes deeper than methods of taxation, of land reform, or even a free earth; for it includes a complete social philosophy of the restoration of the natural order. Other problems that will arise are those of adjustments to conditions in the spirit of that philosophy.

It is a philosophy denied often enough in our American social life, and set at defiance in an infinite variety of laws which burden the statute books. But nevertheless it is not inimical to American spirit and tradition. It spoke in the teachings of Jefferson when he said: "The earth belongs in *usufruct* to the living and the dead have no right nor claim over it." It was the unconscious dream of those who blazed a pathway across a continent; it spoke in the rough-hewn democracy of men to whom the great West sent its call in the first half of the last century; it was written into our charter at the very birth of the Republic; it helped to mould many of our early institutions.

America is the soil where the Single Tax finds its most complete beginnings, and may yet find its great fulfillment. Henry George was born in Pennsylvania and wrote in California. A score of years after his death California cast a quarter of a million votes for the principle he died for and Pennsylvania passed laws for two of its cities, Pittsburg and Scranton, that bring his great ideal measurably nearer.

And the movement must gain strength with the years. Civilization can be saved only through freedom—political and economic—and the first without the second cannot long endure. It is this that makes the truth for which we contend, once sneered at and despised, so fascinating to earnest minded men who are now being attracted by its steady, imponderable march. Well informed men no longer doubt its ultimate triumph. It cannot perish from the earth save by a mighty cataclysm that would bury all the garnered knowledge of the years and all the aspiration of the ages. In the full fruition of time it will come—a free earth, free men, and free trade, and a race unshackled to grasp those mightier problems that concern themselves not with earth and time, but with eternity and the spiritual nature of man. This is the goal of freedom set for mankind when the aboriginal prototype swung his stone axe in the primeval forest. For man is more than a working, producing animal; he is an immortal soul.—EDITOR.

HISTORICAL—UNITED STATES

HENRY GEORGE

HIS WORKS; HIS LIFE; CAMPAIGNS OF 1886 AND 1897;
HIS DEATH

Henry George is today recognized as one of the greatest Americans. His books, especially *Progress and Poverty*, which is conceded to be his masterpiece, are written in a fascinating style. So fascinating is the style, indeed, that it has been held by hostile critics as the explanation of the ease with which the convictions of the reader are overpowered, he thus being made blind to Mr. George's sophistries. But whether this contention be true or not, no man ever treated political economy in the same delightful way. He made it a live science. But he also opened up its flowery paths; he made its prospects delightful; and he painted radiant pictures to arrest the beholder's attention. No writer, perhaps, so much of a logician was ever so much of a poet.

WORKS OF HENRY GEORGE

Of all the books that came from his pen, *Progress and Poverty*, *an Inquiry into the Cause of the Increase of Want with the Increase of Wealth; the Remedy*, is the most complete, and in some sense the work shows the most highly perfected literary craftsmanship. *Social Problems* is "light literature" in comparison, but the most interesting to the man who has given scant attention to those problems. Originally contributed to *Leslie's Weekly*, they are really "inspired editorials," dealing with problems which have changed in countenance but not in essence, but their style is so clear and limpid and at times so eloquent that few of these are in matter or manner ephemeral.

Protection or Free Trade is an examination of the tariff question from the standpoint of an enemy of all customs houses. No such treatment as this had the problem ever before received. There

is not a single table of statistics in the entire book. It is pure reason. Mr. George examines every contention of the protectionists; no claim made for a protective tariff escapes him; and he mercilessly exposes the contradictions of many of these claims. He laughs to utter scorn the plea that labor, creator of all wealth, stands in need of any protection, and is especially vigorous in his demand that the workers cease to rely upon government for aid and search more deeply into the causes of low wages and industrial depressions. He has as little patience with the low tariff or tariff reform advocates; the high protectionist is at least more consistent, for if it be admitted that the theory of protection is a good one, that labor needs protective duties, then the application of the remedy is ridiculously inadequate, and those who would lower the tariff or maintain a merely revenue tariff are not the friends of the workingman. For "British free trade" he can find no words of praise, calling it spurious free trade, as we speak of "German silver," which is not silver at all. Free trade meant to Mr. George the abolition of all obstructions to trade and production, the doing away with all taxes now levied upon commerce and industry in all its forms, and the prevention of all speculation in the natural element, land. Governments should derive all their revenues from land values, with no other taxes and no tariffs.

The fourth book of Henry George's which should be mentioned along with these three is the one he left unfinished—*The Science of Political Economy*. This work was designed to appeal to the scholar and the philosophical thinker, and is in some respects the greatest of Mr. George's works even in its incomplete form, for in it he takes political economy to a higher plane, connecting its laws with the larger problems of society and individual life and disclosing its relations to the mightier mysteries that hedge us about. Mr. George had hoped in this work to present the subject in such a way as to compel attention from the great universities and the leaders of thought throughout the world, who would then be compelled to recast much of their philosophy. Though death interrupted him in his task, and though one feels a sense of incompleteness that is to be charged to this interruption, the work

is yet more than a promise. Others of Mr. George's works are *The Perplexed Philosopher*, which is a reply to Herbert Spencer, who announced his disbelief in private property in land in *Social Statics* and afterward recanted, and *The Condition of Labor*, which is a reply to the Pope's Encyclical.

HIS EVENTFUL LIFE

The philosopher of the Single Tax was born in Philadelphia, September 2nd, 1839. His father and mother were born in this country, and were of British extraction. His father was engaged in the book publishing business in a small way, but afterwards entered the custom house, where he remained for a number of years. Henry George was educated in the public schools of Philadelphia; at fourteen he was an errand boy, and in his sixteenth year he went to sea as a cabin boy. On his return to Philadelphia he was placed by his father in a printing office to learn the trade. In 1857 he went to California, attracted there by the gold discoveries. Finding no gold he worked his way as a common seaman to British Columbia, again in search of gold and again without success.

He returned to San Francisco and to type setting. In 1871 he wrote *Our Land and Land Policy*, which contains the germ of his thoughts on social reform, and in 1879 *Progress and Poverty* appeared. In a short time there followed a most phenomenal sale of this work.

In the early eighties Mr. George came to New York; in 1886 he ran for mayor, and polled a vote so surprisingly large that it attracted the attention of the whole country, after one of the most extraordinary campaigns the metropolis had ever witnessed.

THE MAYORALTY CAMPAIGN OF 1886

Of the 68,000 men who voted for Henry George in '86, probably not one thousand had more than a vague conception, at the beginning of the campaign, what was meant by the land question. Not only was it years later that the term "Single Tax" was applied to the free land movement, but there was no organized movement at all until Henry George was nominated in 1886.

When the labor organizations of New York called upon him to lead the labor forces in a campaign for the mayoralty, Henry George hesitated. His inclinations were for the literary life and the lecture platform. He was not sure whether a convention would be representative of the working masses. A brilliant thought came to him: Why not be nominated by the masses themselves? He therefore wrote Mr. Archibald that the only condition on which he would accept the nomination "would be that at least 30,000 citizens should, over their signatures, express the wish that I should become a candidate, and pledge themselves in such case to go to the polls and vote for me." Never before had a candidate insisted on such a nomination. This was indeed the beginning of the movement for direct nominations.

In the letter to Mr. Archibald, which was dated August 26, 1886, is the first mention of the land question, for it contains the following passage:

"With unsurpassed natural advantages—the gateway of a continental commerce—New York is behind in all else that the citizen might justly be proud of. In spite of the immense sums constantly expended, her highways, her docks, her sanitary arrangements are far inferior to those of first-class European cities; the great mass of her people must live in tenement houses, and human beings are here packed together more closely than anywhere else in the world; and though the immense values created by the growth of population might, without imposing any burden upon production, be drawn upon to make New York the most beautiful and healthful of cities, she is dependent upon individual benevolence for such institutions as the Astor Library and the Cooper Institute, and private charity must be called upon for 'fresh air funds' to somewhat lessen the horrible infant mortality of the tenement districts. Such parks as we have are beyond the reach of the great mass of the population, who, living in contracted rooms, have no other place than the drinking-saloon for the gratification of social instincts, while hundreds of thousands of children find their only playground in crowded streets."

The Labor Day parade on September 6th was an ovation to Henry George. So much enthusiasm was evoked by his letter that the proposed nomination lost all local significance. Mr. George spoke in Newark, N. J., on Labor Day, and he was gravely

nominated "by the workingmen of Newark for Mayor of New York."

On September 23rd the convention met at Clarendon Hall, 13th Street between Third and Fourth Avenues. One hundred and seventy-five labor organizations were represented by 409 delegates. A negro named Frank Farrel, who represented the Eccentric Engineers, was the chairman of the platform committee. He read the platform, which had evidently been written by Mr. George himself. It was a new declaration of independence, and would be useful as a Single Tax tract today. Although the boycotting cases were the causes of the uprising, the only allusions to workingmen's inequality before the law were the following: "that the practice of drawing grand jurors from one class should cease, and the requirements of a property qualification for trial jurors should be abolished; that the procedure of our courts should be so simplified and reformed that the rich should have no advantage over the poor; that the officious intermeddling of the police with peaceful assemblages should be stopped." Equal pay for equal work in public employment, without distinction of sex, was for the first time demanded in a political platform. Twenty-five years later fifteen thousand women teachers in the New York City public schools won their fight for equal pay.

Of course not a single newspaper supported Henry George. Most of them became almost hysterical in their denunciations of a "class" movement, and some demanded that all political parties combine on one candidate to avert the threatened election of a new Danton. The local democratic party had, ever since the exposure of the Tweed Ring, been divided into three factions, Tammany Hall, the County Democracy and Irving Hall. The County Democracy was in the saddle, having captured the mayoralty at the previous election. Irving Hall was almost a negligible quantity and endorsed Henry George, though without receiving any pledges from him. Many of the rank and file of Tammany favored the nomination of Mr. George; but the rank and file then, as now, had no say in the naming of candidates. When the convention met on October 11th not a dozen men knew who was to be chosen. Then Abram S. Hewitt was suggested

and perfunctorially nominated, though the delegates stared at each other in amazement as they did so; for Mr. Hewitt was one of the leaders of their arch-enemy, the County Democracy. The latter organization had not intended nominating Mr. Hewitt, but Tammany's action and the danger of Mr. George's election forced it to say "me too."

Mr. Hewitt was a man of culture, ability and wealth, and had made a creditable record as a member of Congress for several terms. The fact that he was a son-in-law of the venerated philanthropist, Peter Cooper, the founder of Cooper Union, helped to make his nomination a shrewd one. The keynote of his letter of acceptance was denunciation of the "class" movement that had nominated his opponent. He claimed that that movement was an attempt "to substitute the ideas of Anarchists, Nihilists, Socialists and mere theorists for the democratic principle of individual liberty which involves the right to private property," and that "the horrors of the French Revolution and the atrocities of the Commune offer conclusive proof of the dreadful consequence of doctrines which can only be enforced by revolution and bloodshed even when reduced to practice by men of good intentions and men of blameless private lives."

About a year ago the writer of this article met a man who was one of Mr. Hewitt's supporters in 1886. He told me that while he was listening to the reading of his letter of acceptance he could hardly forbear laughing outright, for he had read the platform on which Henry George was running, and had also heard his speech of acceptance. Besides that, he said Mr. Hewitt, only a few years before, had spoken in praise of Mr. George's theory of taxing "the unearned increment" as Mr. Hewitt had called it; but that he was taking advantage of the hysterical fears of Fifth Avenue and of Wall Street.

By such appeals Abram S. Hewitt made a strong bid for Republican support. That party, at that time in a great minority in New York City, thought that at least half the Democratic vote would go to George, and that it could slip in between. Had the election taken place within a week of the nominations, it is probable that at least a quarter of the Republican vote would

have been cast for Hewitt. As the campaign progressed, the bulk of the Republican voters returned to their allegiance and cast their ballots for their nominee, Theodore Roosevelt. Their vote for him fell only about 25,000 below the normal Republican vote, and many of these voted for George. Mr. Roosevelt, who at that time was barely 28 years of age, did not make an active campaign and carefully refrained from attacking Mr. George for fear of alienating the Republican workingmen.

Mr. George promptly picked up the gauge thrown down in Mr. Hewitt's letter of acceptance and there ensued an interesting correspondence. The verdict on this clash of wits has been summed up in the following words: "It is difficult to see how any other popular verdict can be given than that Mr. Hewitt misjudged his own powers when he ventured to initiate a discussion of social, moral and political questions with Henry George."

In the first of the famous George-Hewitt correspondence, Mr. George challenged Mr. Hewitt to a joint debate on the issues of the campaign. Mr. George was especially anxious that Mr. Hewitt should publicly defend his assertion that the movement which Mr. George represented sprang from a "desire to substitute the ideas of Anarchists, Nihilists, Communists, Socialists and mere theorists for the democratic principle which involves the right to private property." Mr. Hewitt declined to "accommodate in debate a gentleman for whose remarkable acuteness, fertility and literary power I have the highest respect."

Although Mr. Hewitt had declined to meet his opponent on the same platform and had "decided to make no personal canvass," he changed his mind so far as to make several speeches. To have done otherwise would have been fatal, in view of the extraordinarily active canvass being conducted by his opponent, and by the latter's supporters. The burden of his speeches consisted of a comparison of his long public record with Mr. George's short one, denunciation of his opponent's land theory, and an explanation of his relations with corrupt politicians for which Mr. George had criticized him. Garbled newspaper accounts of Mr. George's speeches furnished Mr. Hewitt with many texts; and when their obvious falsity was pointed out, Mr. Hewitt did not retract.

The newspapers were unanimously against Henry George, and at that time they seemed to think it paid to deliberately misquote and misrepresent an opponent. Even the *Evening Post*, which prided itself on its journalistic fairness, made it appear that Mr. George had told a large audience that the horrors of the French Revolution would be repeated in New York if he was not elected. The writer of this article had taken a verbatim shorthand report of the speech referred to, which showed that the *Evening Post's* statement was made out of whole cloth. To make up for the lack of journalistic support, Louis F. Post and others started a daily newspaper called *The Leader*. This continued to support the Henry George movement until 1888, when it was captured by the Socialists, and soon thereafter discontinued publication.

The Single Tax philosophy has now so thoroughly permeated the consciousness of the people that even its opponents state its incidence fairly well. In 1886, however, there were comparatively few who had ever read *Progress and Poverty*, and still fewer who had become intellectually and spiritually convinced of the truths it taught. It seems almost inconceivable that at a mass meeting of business men at Steinway Hall addressed by Mr. Hewitt, and presided over by the president of a national bank, the following resolution was adopted:

"That to exempt personal property and buildings, and cast the burden of taxation on unimproved land, according to Mr. George's theory, would enable the owners of the land and buildings upon it to reassess the whole amount of the taxes upon the tenants in the form of excessive rents, and so work oppression upon the laboring classes by absorbing their wages to meet their rents."

Of course Mr. Hewitt knew better, for only a few years before he had written highly laudatory words of Mr. George's elucidation of his land theory in *Progress and Poverty*, and had stated that it was unjust that the unearned increment of land should go to the individuals who happened to hold possession of it. Still, at this same meeting, he "out-Heroded Herod" by stating:

"And yet there comes one apostle who, preaching to one class of the community the doctrine of hate, tells them that his gospel will override the laws of Divine Providence. Is there no danger

in such doctrine as this? Remember that here in New York is a large population of people who necessarily live from day to day. By that labor of each day must their bread be got. Now when a man of extraordinary ability comes to these people and points to the houses of the wealthy and says, 'All this is yours; you produced it. Follow me and I will make an equitable distribution of property by which you shall have your share of these good things,' this is a most attractive doctrine, and I don't wonder that thousands of men have followed the lead of this new apostle. But on the other hand we have the experience of mankind from the beginning, showing that by the establishment of the right of private property the world has grown in wealth, in comfort, in civilization, and in all the blessings that go with progress under the broad shield of law."

At another meeting, he said that he regarded "the election of Henry George as Mayor of New York as the greatest possible calamity that could menace its prosperity and its future hopes; but I have no fear that the doctrine of confiscation which he preaches will ever be put in practice in this city where a large majority of the people are living under their own vine and fig tree and where men own their own homes." The number of the owners of New York today is unknown, but it is estimated not to exceed 150,000, or 3 per cent. of the population. The number in 1886 could not have been more than one person in twenty-five. If Mr. Hewitt's statement were even measurably true, Mr. George has been vindicated; for in 27 years "the large majority who owned their own homes" has been reduced to three in about one hundred of the population.

Dr. McGlynn, then the pastor of St. Stephens, was one of the principal factors in the large vote cast for Mr. George in 1886; but his support in 1887, after he had been excommunicated, also partly accounted for the decreased vote in that year. Dr. McGlynn was the most beloved priest and also the most intellectual in the New York diocese. He refused to obey the Archbishop's command to withdraw from the campaign. This fact was not made public until after the election of 1886; but on the Sunday preceding election day hundreds of thousands of copies of a pamphlet were distributed at the doors of all Catholic churches. This pamphlet consisted of the correspondence between Joseph

J. O'Donohue, the chairman of Tammany Hall's committee on resolutions, and Monsignor Preston, to the effect that the Catholic clergy were opposed to Mr. George's candidacy. This came too late to do much damage to Mr. George's cause; for whatever effect it had was probably offset by the resentment aroused by the hierarchy's interference in a political contest.

Political parades have been customary in exciting campaigns in New York; but in this campaign there was only one. It is doubtful if either the Republicans or the "united" Democrats could have mustered a procession respectable in point of numbers. At any rate, neither dared to take the risk of failure. The labor organizations, however, had no such fears.

About a week before election, William McCabe, the well-known journeyman printer, who organized the labor day parades of 1882 and 1883, was appointed marshal and invested with the necessary authority to call out the labor associations that were pledged to the support of Henry George.

The parade took place on October 30th—the Saturday preceding election day—November 2nd. About 30,000 men marched for hours, drenched by a cold rain, shouting: "Hi! Ho! the leeches—must—go." "George—George—Henry George."

The parade was probably the first tangible proof to the politicians that they were in danger. They did not fear the effect of George's crowded meetings, nor worry over the slim attendance at their own. Their confidence in the power of the "machine" was unbounded. But when 30,000 men—most of them mechanics—marched in a cold and drenching storm through two miles of streets, behind their union banners, on the eve of election, and at their own expense, the politicians awoke to the fact that the "machine" was in danger of being smashed.

It is possible that this parade defeated Henry George. The alarm it created in the breasts of "the interests" caused their pocket-books to open and provided an enormous corruption fund for use on election day. Mr. George was the first in the United States to suggest the use of the Australian secret ballot, since adopted in every State. But in 1886 each party printed and furnished its own ballots, which were distributed on the streets

in front of the polling places. When a poor devil received a \$2 bill for voting for Hewitt, he knew he was being watched until he had deposited the "right" ballot in the box. It was common, in some districts of New York City, to see men lining up before the ballot box, each holding aloft in his right hand the ballot that had been given him, so as to make it convenient for the heeler to see that he stayed bought. All this machinery required many "workers" under pay. The Henry George supporters were necessarily handicapped by their inability to pay men to act as distributors of ballots, etc., and in some districts ballots for Henry George were not obtainable. These obstacles combined with the bribery of the very poor (George's natural supporters) made his vote astonishing; for, out of a total of 218,000 he polled about one third, or 68,000, Mr. Hewitt receiving 90,000, and Mr. Roosevelt 60,000. This was before Greater New York came into being, the city then including only what are now known as the boroughs of Manhattan and the Bronx. Of the 24 Assembly Districts Hewitt carried 15, George 5 and Roosevelt 4.

Many years later a prominent Tammany politician told the writer of this article that Richard Croker, the boss of Tammany Hall, had informed him that if the vote actually cast had been correctly counted George would have been declared elected. The well-known confidential relations of the Democratic and Republican machines give an air of probability to this story.

THE HENRY GEORGE CAMPAIGN OF 1887

The New York State Convention of the United Labor Party met in Syracuse on August 17, 1887. It was this convention that nominated Henry George for Secretary of State. It was here that the final break with the Socialists took place.

In the campaign that ensued there were enthusiastic meetings all over the State addressed by Judge Maguire, of California, Louis F. Post and the great leader himself. The result was a reverse in city and State. The total vote in the State was 72,000, only a little more than that in the city a year before. Brooklyn added 15,000 votes to the new party, which was not bad, for there was hardly the semblance of organization in Kings County.

Perhaps even this vote, as certainly the vote of '86, was a distinct triumph for the new principles, for it was not easy in those days for a new party to make any kind of a showing. In the 800 districts which then were included in the city, election "workers," varying in number according to the size of the boodle at the disposal of the two dominant parties, "worked" the voters in various ways. This army of mercenaries, whose duty it was to beset the voters whom they could approach and conduct them to the nearest saloon, were usually well supplied with money, and perhaps at no time more than then and in the election of '86. The "respectable" elements of society were fearful of the Henry George spectre, and freely distributed of the contents of the "dough bag" for his defeat. With money and rum and threats the voter was induced or coerced to vote with the abhorrent forces that were his oppressors. In this election there was open buying of votes, so that even the vote that was cast—and the smaller vote that was counted—was indicative of the strength of the appeal that Henry George was able to make for himself and the great doctrine vaguely understood which the name of Henry George typified.

The great leader of the Single Tax movement was an intensely religious man—religious in that rare sense of nearness to what Matthew Arnold called "the spirit not ourselves that makes for righteousness." An incident related by Louis F. Post illustrates this quality of his mind, a quality which it seems to us has been peculiar only to the great ones of the earth, its prophets and its seers:

"He and I went to the Astor House to watch the returns on the *Herald* bulletins across the way. They were frightfully disappointing. It was soon evident to both of us that the United Labor Party movement had that day collapsed. In that frame of mind we went up town, and just as our car was about to start, we standing on the front platform, I said: 'Well, George, do you see the hand of the Lord in this?' He looked at me with an expression of simple confidence which I shall never forget, and answered: 'No, I don't; but it is there.' Then he went on to say that he thought a way of bringing back the people to the land had opened in the labor campaign of the preceding year, but now that way had closed; yet another way would open, and when that closed still another, until the Lord's will on earth would be done."

That way seemed to George, as it did to most of us, to open in the tariff message which a short time after emanated from the pen of President Cleveland, and enlisted the earnest support of Single Taxers everywhere, who now appeared as free trade Democrats, urging tariff abolition as a first step toward the full industrial emancipation which is our goal.

There were many followers of Henry George who clung to the idea of an independent political party national in its scope. This policy Mr. George opposed, and it was the cause of the split between himself and Dr. McGlynn. The nomination by the United Labor Party in 1888 of candidates for president and vice-president resulted in so insignificant a vote—2,668 votes in N. Y. State—that the party ceased to exist.

THE MAYORALTY CAMPAIGN OF 1897

In 1897 Henry George, now in his fifty-eighth year and weakened by illness, was again induced to face the rigors of a campaign for Mayor, this time of Greater New York. He was at the time busily engaged on the *Science of Political Economy*, from which he hoped so much. This work had taxed his every energy, and a premonition of approaching dissolution seems to have haunted him and impelled him to a feverish energy in its composition, which embodied so much of the riper fruit of his profound philosophic thought. But he did not contemplate death with fear or misgiving, but with faith and calm serenity, and eyes fronting the future with placid confidence that death held nothing to fear.

So when the call of the people came to lead them again in a fight for the mayoralty of Greater New York—the first campaign for chief magistrate under the consolidation—though he shrank from the contest it was not with any thought of fatal consequences to himself. Warned by his physician that it meant death he cheerfully accepted the commission, with as high a courage as ever soldier essayed a hopeless assault. Dr. M. R. Lever-son, a neighbor of Mr. George and a life-long friend and disciple, has recorded the following notes of a conversation that occurred just before the acceptance by Mr. George of the nomination:¹

¹*Life of Henry George*, by Henry George, Jr. Vol. 2, page 595.

"One afternoon, after talking over the mayoralty subject, we went for a walk on Shore Road, just in front of his house. Mr. George was convalescent merely, indications showing to the physician the still existent condition. Continuing the conversation commenced in the house, Mr. George said to me: 'Tell me if I accept, what is the worst thing that can happen to me?'"

"I answered: 'Since you ask me, you have a right to be told. It will most probably prove fatal.'"

"He said: 'You mean it will kill me?'"

"'Most probably, yes.'"

"Dr. Kelly says the same thing, only more positively. But I have got to die. How can I die better than serving humanity? Besides, so dying will do more for the cause of humanity than anything I am likely to be able to do in the rest of my life.'"

Many of the friends of Mr. George were averse to his facing the dangers of the campaign, and even Mrs. George was appealed to to use her influence to dissuade him. This she refused to do. Her devotion to high ideals was as great as his own, and her reply to these friends, fearful of the consequences to the leader of the campaign that he must face, evinced the innate nobility of her nature which had sustained him through so many trials and dangers:

"When I was a much younger woman I made up my mind to do all in my power to help my husband in his work, and now after many years I may say that I have never once crossed him in what he has seen clearly to be his duty. Should he decide to enter this campaign I shall do nothing to prevent him; but shall, on the contrary, do all I can to strengthen and encourage him. He must live his life in his own way and at whatever sacrifice his sense of duty requires; and I shall give him all I can—devotion."

A conference followed shortly after at the New York office of the Johnson Company, at which about thirty of the friends of Mr. George decided to make the fight. He entered upon the campaign with much of the fire and spirit that had characterized him in 1886.

There were three candidates in this mayoralty contest. Robert Van Wyck was the Tammany nominee and Benjamin F. Tracy stood for the regular Republicans. Seth Low ran as an independent Republican, and around him flocked the opponents

of boss rule as represented by the two regular organizations. Most of the active Single Taxers were for Low before the advent of Mr. George as a candidate. James R. Brown had charge of the Low speakers and Dr. Marion Mills Miller was engaged at the Low headquarters. With the nomination of Henry George, Messrs. Brown and Miller and other Single Taxers who were at the time speakers nightly for Low, showed their loyalty to their old chieftain by immediately resigning their posts and enlisting, most of them without pay, under the standard of their great leader.

The campaign waxed fast and furious; it even showed what seemed to many evidences of coming victory. There was a great ratification meeting at Cooper Union characterized by the old enthusiasm that swept men off their feet; there was waving of handkerchiefs and throwing of hats in the air. The writer of these lines stood at the back of the hall with Father Ducey, both of us perhaps a little curious to ascertain just how the people would welcome this herald of industrial emancipation after years of absence from the political arena. Maybe there lingered in our minds some doubt of the wisdom of the advent of the champion in view of the fact that Seth Low, who had been a clean mayor of Brooklyn, who had an enviable reputation as a student of politics, and who had already thrown the gage of battle to the two spoils-seeking organizations, was already the candidate of the Independents. But to the Single Taxer none of these campaigns represented simply contests for office, or even immediate results. They were regarded as merely instrumental in forcing to the front the great principle of industrial emancipation for which Mr. George stood. So as Father Ducey watched the extraordinary demonstration a flush of pleasure overspread his face, and turning to the writer he said, "It's just like old times, isn't it?" And indeed it was. Physically but a shadow of his former self, the candidate nevertheless surprised his friends by the fire of his winged words. More than once bodily exhaustion compelled him to desist, but he went on, appearing before audiences with the pallor of approaching dissolution on his face, but instinct with the old inspiration that made him the most powerfully appealing figure

that has ever appeared on any political platform in Greater New York.

Willis J. Abbott, a well known newspaper man, was the George campaign manager, and August Lewis was treasurer of the campaign committee. Another, since deceased, who did splendid work as a speaker, was Arthur McEwan, also a veteran newspaper writer, with a trenchant style. H. Martin Williams, now reading clerk of the House of Representatives at Washington, Lawson Purdy, Edward McHugh, and many others raised powerful voices in this campaign. Numbers of meetings at which the candidate appeared told how little he had lost his hold upon the affections of the people of Greater New York. And then came the tragic culmination.

DEATH OF HENRY GEORGE

Henry George, in as dramatic a political battle as New York has ever witnessed, died Friday October 29, 1897, at 4:30 A. M., in the Union Square Hotel. He had addressed several large meetings before retiring. Mrs. George was with him and was awakened by his convulsive movements and faint moanings. He was found dead with a smile on his lips. Around his bedside were grouped Mrs. George, Henry George Jr., Dr. Kelly, Edward McHugh and August Lewis.

He lived for the people and had chosen to die for them. The choice was deliberate. He had entered the campaign against tremendous odds, for opposed to him were the power of Tammany and the "reform" forces behind Seth Low, the independent candidate for the mayoralty. On his own side were growing physical weakness but the power of a great idea; and as the campaign advanced it began to be felt that he stood a nearly even chance with the two other candidates.

It is doubtful if the city had ever been so stirred to its depths by the death of any citizen. The event had all the elements of a tragedy, with the election but three days away and the result in doubt. It was felt for the first time that this man of great genius, of strong personality, to whose standard men flocked as if drawn by some hidden magnet, was a real leader of men. Some per-

ception, too, that the truth for which he stood made him great, seemed to dawn upon the minds of the befuddled editors who were now called upon to comment upon his life and death.

The many eulogies that followed were often tempered with rejection of the Single Tax and the regret that a man so great should entertain an idea of this kind. It seems not to have occurred to them that if the idea for which Mr. George stood were a delusion the subject of these eulogies was not a great man, but a very much misled one, as well as a false and dangerous prophet. Even William J. Bryan, who sent a telegram saying "he was one of the foremost thinkers of the world," has since maintained a discreet silence as to whether the chief thought of all his philosophy was true or false. If false he was not a "foremost thinker," but a very sorry example of self-delusion.—F. C. L. AND EDITOR.

THE GENERAL MOVEMENT FROM 1897

The general movement from the death of Henry George in 1897, which was followed by the candidacy of Henry George, Jr., for the nomination left vacant by the death of his father, and the casting of about 20,000 votes for the son, continued to make progress, though without attracting the universal attention that had been aroused by the two dramatic campaigns of Henry George, the McGlynn episode¹ and the Anti-Poverty Society. But with the advent of Joseph Fels² on the scene the movement assumed greater activity. His offer to finance the movement and his own abounding enthusiasm for the cause found immediate response both here and abroad.

We shall find it convenient in pursuing the history of the movement from 1897, to treat under separate heads of its progress in States where State-wide campaigns have been waged for some measure of Single Tax, and in cities where partial exemption of improvements has been obtained, or has been fought out in campaigns.³ The story of Houston, where the Single Tax found practical application through the extra-constitutional acts of Tax Commissioner Pastoriza, belongs to another category, though marking time quite as significantly in the progress of the movement.

The advance of our doctrines shown in their acceptance by an increasing number of men and women, where no direct vote has taken place, but where organized education has been systematically pursued, places Massachusetts, under the leadership of Mr. C. B. Fillebrown, in the front rank of the States, though Mr. Fillebrown, it should be said, is what is termed a "Single Taxer limited" and belongs to the group of whom Thomas G. Shearman was the first great protagonist.⁴

¹See Index for The Catholic Church and the Single Tax; also Edward McGlynn.

²See Index for Joseph Fels.

³See Index for Houston, Pittsburgh, Everett.

⁴See Appendix for Thomas G. Shearman.

In New York City, the splendid agitation carried on by Benjamin C. Marsh, of the Lower Rents Society, has familiarized many thousands with the principles of improvement exemption and the taxation of land values. Mr. Marsh disavows a belief in the Single Tax, but the distinction is not important in these days of the initial stages of our progress. The bills introduced into the Albany legislature embodying the demands of the Lower Rents Society for the exemption of improvements to be submitted to a referendum of the voters of New York City have never emerged from committee. Mayor Mitchell on the eve of his election held out the promise to the ear that he would favor such a referendum, but broke it to the hope. Nevertheless, the Lower Rents Society has kept up the fight, and has enlisted in the support of its demands many who, like Mr. Marsh, disavow the name of Single Taxer. Besides the work of Mr. Marsh's society there has been carried on for many years a constant agitation by the Manhattan Single Tax Club, and its work will be found briefly described elsewhere.¹

Henry George, Jr.'s two successful campaigns for Congress in Manhattan (1910-1912) are incidents in the history of the movement. Mr. George was the candidate of the regular democracy (Tammany Hall) and the Independence League. His campaign was made for straight-out free trade. His work in Congress included a notable address on the Single Tax and a report on taxation in the district of Columbia which attracted much attention.

In Cleveland during Tom L. Johnson's incumbency the Single Tax, though over-shadowed by the comparatively less important issue of street railroads, was kept alive through the nation-wide popularity achieved by the imposing figure of its chief executive.²

In New Jersey the movement has shown many signs of life, and these have been manifested through the Progressive Party more lately merged into the Republican, and led by E. B. Osborne, Everett Colby, and George L. Record, and through the Democratic party in legislative struggles in Trenton under the leadership of Senator Charles O'Connor Hennessy to secure the passage of

¹See Appendix.

²See Appendix.

local option and other measures favorable to our doctrines. The Single Tax has been extensively popularized by the political agitation of these men and others under their leadership.

Under separate heads incidents of historical importance to the movement, such as the Delaware Campaign, the Hyattsville Experiment, etc., are treated in the pages that follow. The aim has been to cover with sufficient amplitude such facts of moment as may be deemed matters of reference, and to provide a world-wide survey of the movement. Those who would gather a more detailed view of Single Tax progress in this country are referred to Arthur N. Young's admirable *History of the Movement in the United States*, to which the editor of this work in the preparation of much of his material acknowledges his indebtedness.—EDITOR.

NATIONAL SINGLE TAX CONFERENCES

In September, 1890, was convened in New York City, in historic Cooper Union, the first National Conference of Single Taxers.¹ Five hundred delegates from more than thirty States met and formed a national organization known as "The Single Tax League of the United States," with a national committee composed of one member from each State, and an executive committee of which William T. Croasdale was the first chairman. Mr. Croasdale was the real organizer of this Conference.

A most pleasant duty devolved upon the members of this conference, which was the welcoming home of Henry George, now returned from a trip abroad. William T. Croasdale acted as temporary chairman and Louis F. Post, now Assistant Secretary of Labor, as permanent chairman of this Conference. Between the sessions of the Conference there were mass meetings at which inspiring addresses were made by Henry George and others. At one of these meetings characterized by great enthusiasm Mr. Hamlin Garland, then as now a novelist of note, read a poem by the late Frances M. Milne, of California, welcoming Henry George to his native land, and Mr. George spoke eloquently of the progress of the cause in Australasia, Great Britain, Canada and the United States.

Among the members of this Conference were Tom L. Johnson, later mayor of Cleveland, Judge James G. Maguire, of California, Edward Osgood Brown, later Appellate Judge in Chicago, Wm. Lloyd Garrison, of Massachusetts, son of the Liberator; Mayor Hoch, of Adrian, Michigan, Robert Baker, later Congressman from Brooklyn, and many others whose names have since become famous in Single Tax history.

The Conference adopted a platform and a number of resolutions.

¹An admirable and very full account of this Conference appeared in the *Public* of Chicago, from the pen of Louis F. Post. See issue for September 1, 1911.

This platform, printed elsewhere in this volume,¹ remains the authoritative declaration of the principles and purposes of Single Taxers in the United States. Though the work of the Conference failed to perpetuate itself, and the organization soon gave place, officially and in effectiveness, to groups of Single Taxers organized locally and in States to effect changes in legislation and administrative laws,² the gathering was no doubt of great influence at the time in giving impetus to the educational movement which, inaugurated in the mayoralty campaign of 1886, has continued down to the present day with increasing force and almost without interruption.

Single Taxers hitherto have not taken kindly to organization. The very nature of the movement, calling in its practical application for local or State action, and depending for its political success on situations that arise from time to time without warning, seems to militate against any but the very loosest kind of co-ordination. And such organizations as may be effective for the accomplishment of some one step in the progress of the movement must be changed in form to meet the next exigency that may arise. Were Single Taxers a political party the case would be different in fact and would call with greater urgency for closer organization. Whether their effectiveness for propaganda would be increased in that way is a disputed question. Advocates of independent party action lay great stress upon the value of the party method considered from the view-point of popular education. Into this question, which has been one of not unfriendly controversy, it is no part of this work to enter.

The Second National Single Tax Conference was held in Chicago in 1893. The attendance was much smaller than at the first Conference, thus confirming Henry George in his impressions of the doubtful value of the League, whose influence had failed to fulfill the expectations of its usefulness. The Conference was enthusiastic, but the small attendance ended for a number of years all attempts to weld Single Taxers into a national organization, as well as all attempts to call Single Taxers together nationally.

¹See Appendix for "Platform."

²See Index for California, Colorado, Oregon, Rhode Island, etc.

This Conference was important as marking the division between the "socialistic" and "individualistic" Single Taxers, and in the modification of the final plank of the platform relating to public utilities adopted at the first Conference.¹

On November 18, 1907, there was a National Single Tax Conference which met in New York City. Here for the first time in 14 years Single Taxers of the nation gathered. Though there were delegates from California, Florida, Ohio, Illinois, Alabama, Maryland, Connecticut, Pennsylvania, Massachusetts, Washington, D. C. and Canada, it cannot be said that in numbers the Conference was representative of the cause, which by this time had struggled to a point if not of popular support to a far wider recognition of the importance of its aims than at any previous time in its history.

The American Single Tax League was organized at this conference with Mr. Bolton Hall as president and Hon. John J. Murphy as general secretary, and for a year or two the League with headquarters in New York did effective work, but soon ceased from its activities.²

Under the auspices of the Joseph Fels Fund of America founded in 1909³ a number of National Single Tax conferences have been held. The first of these was convened in New York City, with Hon. Robert Baker, former Congressman from Brooklyn, as chairman. Both Joseph Fels and Hon. Tom L. Johnson⁴ (deceased) were present.

While the Conference was in session the news of the death of Count Leo Tolstoi arrived, and the following resolutions were offered by Joseph Dana Miller and adopted by a rising vote:

"Whereas, The news has arrived this morning of the death of Count Leo Tolstoi, we, the Single Taxers of America, send our sympathetic greeting to Countess Tolstoi; and

"Whereas, This foremost man of the world, whose teachings have made him famous in all lands, has repeatedly announced his

¹See Appendix for Platform.

²For report of the Conference of 1907 see *Single Tax Review* of January-February 1908.

³See Index for "Organizations."

⁴See Appendix for biographical sketch of Tom L. Johnson.

belief in the doctrines of Henry George, for which we stand, and which we are engaged in popularizing in the United States; therefore, be it

"Resolved, That we deeply deplore the death of the Russian prophet and express our hope that the endorsement by this man, on whose soul rested so much of

'The burden and the mystery
Of all this unintelligible world,'

of those doctrines to which we are pledged, and his statement that he regarded Henry George as the greatest of Americans, may be the means of drawing attention to the plan of industrial emancipation to which he lent the weight of his splendid name."

Mr. Henry George, Jr., seconding the resolutions, spoke in part as follows:

"Within the last few hours the greatest spirit in the world has passed—the spirit of a man who looked into the eyes of death calmly, fearlessly, with the confidence of a child. Old in the experiences of the world, born into great riches and station, and given to all the luxuries and dissipations of his class, of which he reserved nothing in his confessions, he was born again into the simpler physical and a new spiritual life. A great man; great in every sense of greatness; a man who left the court of princes to follow the man born in the manger.

"To me it was one of the great events of my life to have spent a few hours under his roof, and now his death is a new inspiration. For now all the contradictory things, the things not understandable, will fall away and the majesty of this prophet of brotherhood and justice will shine out. Great is Tolstoi, greater the truth he taught, and greater still will both become as the centuries roll on."

The Second Annual Conference of Single Taxers under the Joseph Fels Fund Commission auspices was held in Chicago on November 24, 25 and 26, 1911. Mr. W. H. Holly, of Chicago, was elected chairman and Messrs. Stanley Bowmar and Luther S. Dickey, both of Chicago, were elected secretaries. This Conference was memorable in many ways, but chiefly for the presence and speech at the banquet of Mrs. Susan Look Avery, then in her 94th year, and since deceased. Mr. Marion Reedy, of St. Louis, was toastmaster.

The Third Annual Fels Commission and Single Tax Conference was held in Boston on Nov. 28, 29, 30, 1912. Mr. Louis F. Post was elected chairman. Mr. Hull, of Cambridge, Mass., was elected secretary. At the banquet on the evening of the 30th, Hon. John J. Murphy was toastmaster.

The Fourth Annual Conference under the same auspices was held at Washington, D. C., on January 15, 16, and 17, 1914. Mrs. Post was elected chairman of the Conference, and Stanley Bowmar secretary. This was the last Conference at which Joseph Fels appeared, his death occurring soon after. It was at this Conference that Hon. Newton D. Baker, of Cleveland, now Secretary of War, avowed himself a firm Single Taxer, hoping that he might some day see with the vision of his master, Tom L. Johnson. He spoke of Johnson as the man who had moulded his ideas and guided his work.

The Fifth Annual Conference to be held under the same auspices took place at San Francisco on August 23, 24, and 25, 1915. Mrs. Alice Thacher Post was elected chairman and Clarence E. Todd and Stanley Bowmar secretaries.

The Sixth and last Conference to be held under the auspices of the Fels Fund Commission took place at Niagara, N. Y. on August 19, 20, and 21, 1916. Mrs. Alice Thacher Post was elected chairman and Stanley Bowmar secretary. At this Conference the Fels Commission ceased to exist and in its stead arose the American Section of the Joseph Fels Fund International Commission, to be selected by Mrs. Fels, to act in cooperation with a national organization formed in accordance with the wishes of a conference to be called at an early date.

Single Tax women of the United States have held separate conventions at various times in different cities. Many of these have been fairly representative in attendance. The Women's National Single Tax League has included among its official heads such well known women in the movement as Mrs. John S. Crosby, Mrs. Jane Dearborn Mills, Dr. Mary D. Hussey, Mrs. Minnie Rogers Ryan and many others.—EDITOR.

THE MOVEMENT BY STATES

COLORADO

Colorado has the unique distinction of having had three Single Tax campaigns in 1915. In two contests at Denver and Colorado Springs the Single Tax advocates did not expect to succeed. Charter amendments were submitted for the purpose of educating the voters and to help create public sentiment that would eventually secure the blessings of untaxed industry to the charter cities of the State.

COLORADO'S SUPERIORITY OVER OTHER STATES

Colorado has home rule for cities, an advantage enjoyed by no other State. On questions purely municipal, cities that have availed themselves of the constitutional right to frame their own charters, may act independently of the State legislature. For this liberty which is so essential to a city's well being and prosperity, and holds out so much of promise as an example to other States we are largely indebted to the zeal and ability of John A. Rush, a former State Senator, who introduced the bill for the Home Rule Amendment in the Thirteenth General Assembly. This was in 1901. This amendment was so carefully drawn that privileged interests and their corrupt retainers strove vainly to misconstrue its provisions. For many years they kept Colorado in a turmoil trying to find some way to nullify it.

HOME RULE FOR CITIES

Their final effort was the attempt to deprive charter cities of the right to control their election machinery. This resulted in another "Home Rule for Cities" amendment, triumphantly carried in 1912. This amendment not only made the rights conferred by Rush's home rule amendment more secure, but it also added to the power of municipalities, notably in regard to the important matter of taxation.

To understand the Colorado situation we must consider the legislative acts leading up to the local campaigns in 1915.

FIRST SINGLE TAX BATTLE

It was in Colorado in 1902 that the first systematic effort to secure local option in taxation was made anywhere in the United States. In 1899 James W. Bucklin, of Grand Junction, then a State Senator, secured legislative authority to investigate this fiscal method in New Zealand and the Australian Colonies. Senator Bucklin made the investigation at his own expense. He produced a report on the tax system of Australasia that is still recognized as one of the best, and allowing for the lapse of time, one of the most authoritative on the subject of taxation. Nearly 100,000 copies of this report were circulated throughout the State.

In 1897 when Mr. Bucklin was a member of the Lower House he introduced the bill for a constitutional amendment that was in all essential respects similar to the one finally submitted to the voters by the General Assembly in 1901. In 1897 the measure carried in the House of Representatives by an almost unanimous vote. This result was, of course, due to the strenuous exertions of Mr. Bucklin and not to the superior mental attainments of the legislators, although some of them were far above the average. Many of them were Populists who had learned to do their own thinking, and there were a few that had acquired a good working knowledge of the Single Tax. The bill never came to a vote in the Senate. It was smothered in the closing hours of the session, although it had been very ably championed by Senator James Crosby, who shares with Senator Bucklin the honors of a pioneer in the Colorado Single Tax movement and who distinguished himself on this occasion by the longest filibuster that up to this time had ever been recorded in the Colorado legislature.

The bill was again introduced by Mr. Bucklin in the Twelfth General Assembly, to which body he had recently been elected as Senator. He made no great effort to have the measure passed, Senator Crosby and he wisely agreeing to support another constitutional amendment permitting the submission of amend-

ments to six articles of the Constitution at one time. This gateway amendment paved the way for destroying one of the constitutional ramparts behind which special privilege had been comfortably ensconced ever since Colorado became a State. Hitherto the advocates of popular or unpopular reforms in the various legislative sessions never could agree on what was the most important amendment—and it was permissible to amend but one article at a time.

THE GATEWAY AMENDMENT

The bill providing for the submission of this initial amendment was presented by Senator Edward T. Taylor, now a Congressman from this State. At this same session Senator Bucklin presented his resolution to the Senate providing for a committee of hold-over Senators to investigate the tax system and report to the Thirteenth General Assembly. Hon. James W. Bucklin, Hon. William A. Hill, now a Supreme Court judge, and Hon. Thomas J. Ehrhart, now serving as chairman of the State Highway Commission, were appointed. As chairman of this tax commission Senator Bucklin prepared the report and proposed the bill for a constitutional amendment. After a long and bitterly fought contest, with little financial aid from Colorado or elsewhere, and in the interest of which Senator Bucklin sacrificed health, business, time and money, the amendment was defeated in November, 1902. At that time the State had not emerged from barbarous election methods, and yet despite false election returns under defective electoral laws the vote was recorded 32,710 for the amendment and 72,370 against. In some of the counties since disgraced by the lawlessness of gunmen and imported thugs the election officers were instructed to count no votes in favor of the amendment, and in Denver much of the fraud was condoned by a local official, who was a party to it, on the ground that two of the county commissioners had wagered on the result and the fraud was necessary to save the commissioners from the consequence of a bad guess on the size of the vote really cast in favor of the amendment! A contest would not have shown enough votes to save the measure, yet it was prevented only by the inability of

the little Single Tax group to meet the expense required for such a proceeding.

Although the Bucklin bill had been before the legislature three times, and the third time in March, 1901—when it was submitted to the people—had received a favorable vote of 26 to 6 in the Senate and 50 to 11 in the House, yet it was destined to go through a fourth ordeal when a special session of the legislature was called in the early part of 1902 to devise some plan to supply the State with needed funds, the old revenue law, as usual, having broken down. Although the repeal of a bill for constitutional amendment was out of place in a special session called for another purpose, yet the Governor weakly yielded to the clamor of the bankers and real estate sharks, and included the repeal of the Bucklin bill in his call. Then began such a fight as had never been witnessed in Colorado before. The trivial little revenue law which had inspired the Governor's call was soon forgotten.

THE FIGHT TO REPEAL

It was the attempt to repeal the Bucklin bill at this time that brought the measure into such prominence. Petitions from every county in the State flooded the legislative halls, some favoring repeal but most of them demanding that the amendment be left to the decision of the people. Influential citizens addressed strong personal letters to the wavering members. The newspapers were filled with misrepresentation. Senator Bucklin and his friends were denounced as anarchistic brigands. The *Rocky Mountain News*, at that time a great and influential newspaper, was alone among the leading daily papers of the State in permitting the Bucklin side of the controversy to be heard. Despite the preponderance of opinion in favor of allowing the people to decide the issue, so strong was the influence brought to bear, and so all-persuasive and coercive the means employed to secure repeal, that the measure was saved in the Lower House by a majority of only two votes. Without making invidious distinctions or depriving other members of credit that is justly due them it may be said that the honor of saving the bill in this branch of the legislature was in large part due to the parliamentary skill and

the tireless energy of Hon. Peter Gorman, one of the representatives from Denver.

THE AUSTRALASIAN TAX AMENDMENT

The Bucklin measure appeared on the ballot under the foregoing title. "The Home Rule for Cities" amendment, popularly known as the "Rush Bill," was voted upon at the same election, and the privileged interests were so busy fighting Bucklin that they did not have time to concentrate their fire on the other amendment. Senator Bucklin predicts that the charter cities of Colorado will some time build monuments to John A. Rush. While he is worthy of such honor, Senator Rush has forestalled the future and built a monument to himself in Article Twenty of the regenerated Constitution of this State.

THE RULE OF PRIVILEGE

After the defeat of the Bucklin Bill, privilege maintained a strangle-hold on the State. Then vanished the dark night of oppression with its *lettres de cachet*, Governor Peabody's deportations, corrupt Supreme Courts' kingly prerogative writs, martial law, suspension of *habeas corpus* and denial of trial by jury. The people of the State re-asserted their sovereignty in November, 1908. John F. Shafroth was elected Governor and then began the two-years' struggle for the Initiative and Referendum. The people won this battle by a majority of 60,443 on November 8, 1910. Privilege was desperate. It had fought fiercely trying to prevent the people from getting a chance to vote power to themselves. Among those who deserve especial mention and who had much to do with achieving the great victory for popular government we must record the names of State Senators Scott, Tobin, Ehrhart, Crowley, Burris, Kennedy, Skinner and Campbell, the last three pronounced Single Taxers. These were the platform Democrats who, aided by the counsel and advice of Wm. H. Malone, dubbed by the Tories "The Assistant Governor," fought the reactionaries in both parties and forced them to capitulate in the special session of the legislature that had been called by Governor Shafroth to consider the seven demands of the

people which had been refused at the regular session. Former U. S. Senator Patterson owned *The Rocky Mountain News* at the time and the victory could not have been won without that newspaper's powerful aid in arousing public sentiment.

ANOTHER FIGHT FOR HOME RULE

The first effect of the Initiative and Referendum constitutional change was felt in 1912 when it was invoked to adopt the second "Home Rule for Cities" amendment and other emancipatory laws. This Home Rule Amendment was the joint product of the city attorneys representing Colorado Springs, Pueblo and Grand Junction, Messrs. Hall, Adams and Tupper, the last named a nephew of Senator Bucklin. Senators Bucklin and Rush participated in some of the conferences and aided with suggestions and advice. Henry C. Hall, now a member of the Interstate Commerce Commission, drafted the amendment. The first city to avail itself of the liberty which it allowed of municipal taxation was Pueblo. In November, 1913, that city, the second largest in Colorado, adopted what was known as a "Single Tax Amendment" to the charter. The vote stood 2,711 to 2,171—a majority of 540 for the measure. The father of the amendment, George J. Knapp, was a young Single Taxer converted to the faith as late as 1907. He was determined that Pueblo should be the first free city in the only State of the Union that had given cities the right of self government. He proved himself more than a match for the older and more experienced politicians, who as usual resorted to their old trick of trying to prevent the people from having a chance to vote on the proposition. Judge Essex sustained the people and ordered the amendment on the ballot. The privileged interests, however, did not offer very strong opposition. The newspapers were not subsidized, as in the later Pueblo campaign, and were content to warn the people against the measure without misrepresenting it. The enemy did not expect it to win, and attribute the result to the Fels Fund and to the statements that had been sent out to those taxpayers that would be benefited by the change. J. J. Pastoriza told Pueblo citizens what a limited Single Tax had done for Houston, thus

contributing very materially to the successful result. The only campaign speaker from outside the State was J. W. McCleery, sent by the Single Taxers of Kansas City. As there was very little public speaking, Mr. McCleery's most effective work was done through the newspapers and by personal interviews with a great number of citizens. The amendment had the support of the labor unions. Those sections of the city where the workingmen resided gave it emphatic endorsement, and they again showed their favorable opinion of the measure by a heavy vote against its repeal in November, 1915.

THE DEFECT IN THE AMENDMENT

A fatal error in the amendment was that it did not provide for immediate application of the Single Tax. It did not affect the taxes in the following year—1914—but the assessment made in that year was the basis of the tax for 1915. Even then it allowed but a fifty per cent. exemption of improvements the first year (1915), to be followed by a ninety-nine per cent. exemption in 1916. The privileged interests saw an opportunity to create dissatisfaction with the law before it went into effect.

The assessor nullified the exemption by raising the valuation of improvements, which would have been impossible if the ninety-nine per cent. exemption had not been postponed to the following year. Thus we find the assessment on lots reduced from \$14,691,885.00 in 1913 to \$13,890,840.00 in 1914, and improvements raised from \$14,565,585.00 in 1913 to \$15,194,293.00 in 1914. This was an increased burden on improvements, as compared with lots, of \$628,708.00, plus \$801,045.00, or \$1,429,753.00.

Previously in 1913 as compared with 1912 the burden on improvements was raised in the amount of \$802,027.00 as compared with lots. Adding this to the \$1,429,753.00 discrimination made in the assessment of the following year we find \$2,231,780.00 added to the value of improvements as compared with lots.

John Z. White with patient toil and infinite care had discovered and published these and other facts and figures that astounded the good citizens of Pueblo. The enemy did not dare to dispute them. The newspapers were silent in regard to them. The best

they could do was to publish the old lies and reproduce the old cartoons that had been used a few months before in the Colorado Springs and Denver campaigns. A most peculiar fact as evidenced by these later campaigns is that the opponents of Single Tax seem to have nothing new to offer. The identical cartoons and the old hackneyed falsehoods and hysterical appeals to the uninformed, even to the exact phraseology of their denunciations, are the same as those that were used in the Bucklin campaign thirteen years before. The Single Tax amendment was repealed in November by 187 majority, but the anti-Single Tax crowd was so completely whipped that they resorted to the old trick of striking the names of voters from the registered list. In one precinct there were over 40 such cases. In another, 17 cases of the same kind were reported. In others, 12, 22, and so on, but there was no precinct that did not have some complaint of such rascality. Mr. White says: "The assessor cheated the people in the assessment, and the clerk's office cheated the people in the registration list," with the result that we won with the people and lost with the officials.

FOURTH BATTLE OF 1915

John I. Tierney, State Senator from Denver, introduced in the Nineteenth General Assembly a bill for a constitutional amendment that would grant home rule to counties as well as cities. Senator Tierney had little hope of its passage, and made the fight mostly as propaganda. While it was not a straight out Single Tax bill, he made the argument on Single Tax grounds. It required two-thirds, or 24 votes, to carry. On the test vote, after a plain statement that the measure was meant and intended for Single Tax purposes, a vote of 17 was registered in its favor and 18 against.

At the same session the bill to raise the exemption on personalty and improvements to \$2,000 failed by an adverse majority of two. In the Twentieth General Assembly of 1915, Senator Tierney introduced a bill to require the State tax commissioners to classify corporate property in certifying the schedules to the several counties. This measure was intended to remedy a diffi-

culty encountered in making assessments for Single Tax purposes in the charter cities. The chief trouble in Pueblo, aside from the assessor, was the blundering method adopted by the State tax commission, who either will not or stupidly cannot, distinguish between corporation property and corporation privilege. Consequently they fail to inform the local assessor of the value of personalty and improvements as distinguished from franchise and site values. The present statutes give the State tax commission the authority to itemize the schedules, but unfortunately it is not mandatory that they shall prepare their certifications after that method. The intent of Senator Tierney's bill was to compel them to do what the earlier legislature intended they should do.

There was a bitter fight on this measure, which was also characterized as a Single Tax bill. The Colorado Springs millionaires and the State tax commission worked like pirates to kill it and they did. Only twelve Senators out of thirty-five voted for it.

—J. B. M.

DELAWARE

In the Spring of 1895 Mr. Jackson H. Ralston, of Hyattsville, Md., proposed to concentrate the forces of the Single Tax upon a single State and named Delaware as the best place, his main reason being that the State was small, was evenly balanced politically, and offered no constitutional barrier to the adoption of the reform.

While the matter was being argued as to the best State on which to concentrate the Philadelphia Single Tax Society decided to inaugurate a Delaware campaign, and on Saturday, June 15, it sent a number of speakers into the State, and on that evening a number of open-air meetings were held in Wilmington and adjacent towns.

As soon as it became known that the campaign had begun the National Committee appointed a committee of three, the late A. H. Stephenson, of Philadelphia, Jackson H. Ralston, of Hyattsville, Md., and Harold Sudell, of New Castle, Delaware, to supervise the campaign. The first named was elected chairman, the last treasurer of the committee. They appointed Mr. Frank Stephens to take charge of the meetings, and under his direction a wonderfully active campaign was soon in progress. As far as money would allow the whole State was covered every Saturday. Later in the Summer, Dr. Longstreet (now deceased) with a large tent was brought from Texas to tour the State.

When the weather grew too cold for out-door work, in-door meetings were held in the Wilmington Opera House on Sunday evenings. The opening meeting was addressed by Henry George, drawing an immense house, hundreds being turned away. The City Solicitor made a threat to have Mr. George arrested for talking politics on Sunday, but, though police officers were in attendance, no attempt at arrest was made.

In the Spring of 1896 the out-door meetings were resumed with redoubled vigor. The results appeared to be very gratifying.



From all points came the cheering news of numerous conversions to the Single Tax.

But troubles appeared. The Campaign Committee was strongly persuaded that it was not wise to form an independent political party, but that political action should be confined to endorsing those candidates of either political party who should pledge themselves to support Single Tax measures. Yet a large number of the local men, deluded by our rapidly increasing numbers into thinking that they could beat both the Democratic and Republican parties, were insistent that a State ticket should be nominated. Accordingly it was decided to form a Single Tax Party, putting on the legislative and Constitutional Convention tickets those candidates of either party who would give the required pledges.

Alarmed by the growth of the movement the Democratic politicians decided to have the speakers arrested on the charge of disorderly conduct. The first attempt was made in Middletown, but the justice of the peace before whom the prisoner was brought declared that he had done nothing wrong, and discharged him from custody. But in Dover, the capital of the State, a more bigoted justice was found, and Single Tax speakers began to be arrested until thirty prisoners were in jail. Meanwhile legal proceedings looking to the release of the prisoners were undertaken which finally terminated in their favor, not however until some of the prisoners had served out their time.

As the election drew near it began to be seen that the more sanguine view of the outcome was doomed to keen disappointment. The injection of the money question into the campaign by the nomination of Mr. Bryan drew many of the lukewarm Single Tax supporters to a new allegiance. Had it been possible to hold the election earlier the vote for the Single Tax in the opinion of some of the best posted politicians in the State would have amazed the vested interests. But the result was disappointing. When the election returns were in the Single Tax ticket had polled a little short of 1,500 votes in a total of 38,000.

The Legislature when it met rejected all Single Tax proposals, and to make matters worse the Constitutional Convention in-

serted in the new Constitution a clause which was specifically meant to prevent the adoption of the Single Tax by directing that in all assessments of real estate both land and improvements should be included.—H. S.

MISSOURI

In Missouri, as in Oregon, the Single Tax movement was made an issue in the general election in 1912, and was voted on and defeated at a State-wide referendum. The leaders of the Single Tax movement here, like the Oregon leaders, had foreseen that the Referendum and Initiative might be used to secure the Single Tax, and they began their fight for direct legislation as early as 1895.

No active headway was made until Dr. William Preston Hill and S. L. Moser of St. Louis got behind it. They made repeated efforts at each session of the legislature to get a constitutional amendment for the Initiative and Referendum submitted to the people. The first referendum amendment was submitted by the legislature in 1903 to be voted on at the general election in 1904, but this measure was very objectionable because of the high percentages of petitioners required to invoke its operation, 10, 15 and 20% of the voters in each congressional district being respectively required to call for a referendum on a statute, for the initiative of a statute, and for the initiative of a constitutional amendment. Because of this objection, only a moderate propaganda campaign was made for its adoption, and it was defeated by a majority of 43,540 in a total vote of 285,022.

The leaders were not disheartened, however, and continued their efforts for the submission of a reasonable amendment. Before the session of 1907 convened, a majority of the members of each branch of the legislature was pledged to the submission of an amendment with minimum requirements as to the percentages of voters necessary to invoke its operation, and such amendment was submitted to the voters at the general election in 1908, when it was adopted by a majority of 30,325 in a total vote of 324,905.

The legislature of 1907 also submitted a constitutional amendment providing for the separation of the sources of State and local revenues, and for local option and home rule in the selection of

the subjects of taxation. This amendment was prepared by the members of the State Tax Commissions of 1901 and 1906, and provided for the total or partial exemption of any class of property in the local taxing districts, but only after a majority vote in favor of such exemptions. The Committee on Constitutional Amendments, to which this measure was referred, eliminated the provision for voting on exemptions in local districts and delegated the power of making exemptions to county courts and municipal assemblies, contrary to enlightened public opinion, hence it was defeated in 1908 by a majority of 38,826 in a total vote of 306,190.

Members of the two State Tax Commissions of 1901 and 1906 renewed their efforts to have the Legislature of 1909 submit another amendment on local option lines, but the Legislature declined to submit it because a similar measure was defeated in 1908.

Early in 1910 representatives of the League of Missouri municipalities and of many civic and commercial organizations and leading Single Taxers met in a State convention in Sedalia in March to draft a Constitutional Amendment in favor of local option and Home Rule in taxation to be submitted by petition at the following November election. The Sedalia Conference adjourned to meet in Kansas City about two months later, when an amendment was agreed to, but it was not submitted at the November election because of lack of time to complete the petition.

A State-wide organization under the name of the Equitable Taxation League was formed in 1911 with Dr. Hill as President and S. L. Moser as Secretary. This organization included among its members prominent men in all walks of life, and was supported by many civic, economic, labor and business organizations throughout the State.

About \$20,000 was raised for the campaign of 1911-12, something more than half of which was furnished by the Fels Fund.¹

The measure submitted in 1912 proposed a gradual approach to the Single Tax, provided for the exemption of Missouri's city and

¹ See Index for Fels Fund.

State bonds, the exemptions of personal property from local and State taxation, and the exemption of homesteads to the extent of \$3,000 and the abolition of poll taxes. It provided that land, including franchises and public service utilities, should never be exempt from taxation.

The Single Taxers of Missouri tried to keep in the background the discussion of the full Single Tax, contenting themselves with the advocacy of the measure as submitted. But the opponents of the measure at once organized an Anti-Single Tax League and a Landowner's Protective Association, with the result that the debate over the measure resolved itself into a campaign of Single Tax and anti-Single Tax without much regard to the amendment itself.

Prof. Allyn A. Young, then of the Washington University, St. Louis, writing in the *American Economic Review*, for March, 1913, said:

"It is unfortunate that much of the active work against the proposed change was done by men who were willing to defend the worst features of Missouri's present system, and who were willing to appeal to the crudest prejudices in order to gain votes."

The farmers of Missouri were the chief opponents of the measure and raised about \$50,000 to defeat it. They had been taught to believe that the effect of the measure would be to lighten the taxes of the rich men of the cities, and to add to the farmers' burden. They accepted the wildest claims of the opponents of the measure as to the ruin that impended should the amendment become law. In many places they were wrought up to a pitch of fury, and threats of personal violence to be visited upon the Single Tax speakers, and the necessity of resisting by force, were not uncommon. That the measure was after all a rather moderate one, that whole Canadian provinces and many Canadian cities had adopted more sweeping measures in the same direction, that such measures had the support of the most influential farmers' organizations in Canada, counted for nothing. Reason for a time had deserted the farmers of Missouri. It was a discreditable exhibition and one not likely to be repeated. It is safe to say that great numbers of Missouri farmers are today heartily

ashamed of the part they played in the Single Tax campaign of 1912. It is certain that they can never again be persuaded to re-enact the hysterical and panicky opposition of that year.

The defeat of the Single Tax measure was decisive, being 87,000 in favor to 508,000 opposed. It is a curious example of the state of unreason that prevailed that the measure coupled with it, which provided for a permanent State Tax Commission such as nearly every other State possesses, shared the fate of the Single Tax amendment, "the embattled farmers evidently suspecting an insidious attempt to smuggle in the Single Tax."¹

In 1914 the enemies of the Single Tax sought to amend the Constitution with a view of preventing the use of the Initiative and Referendum for the S. T. This was known as "the Anti-Single Tax amendment," and it was creditable to the awakened good sense of the voters of Missouri that it was decisively beaten by a vote of 138,000 in favor to 334,000 opposed.—EDITOR.

¹*History of the Single Tax Movement*, by Arthur N. Young, page 196.

OREGON

In this article I shall deal with the Single Tax movement in Oregon only from the time it was introduced into practical politics, which was in 1908, when H. D. Wagnon, A. D. Cridge and others prepared and proposed a constitutional amendment, exempting from taxes all manufacturing machinery and household furniture, and some other personal property in actual use. Joseph Fels contributed largely to the money expended in this campaign. This measure was advocated and opposed as a step toward the Henry George Single Tax. The vote was about two to one against it after a fairly active campaign in which there was very little bitterness. The total vote on the measure was nearly 90,000.

In 1910 the Single Taxers in and out of organized labor presented, by initiative petition, a "county home rule" constitutional amendment allowing each county to exempt any class or classes of property from taxes, and abolishing the poll and head taxes for the State. It was adopted by about 2,000 majority with a vote of about 90,000. Its success was probably due to the belief of the people generally that it increased their power, and also to the abolition of the odious poll tax. At that time there was no very great or general fear that the Single Tax would follow in counties as the result of the people having the power to vote upon the question.

This campaign was financed wholly by the Joseph Fels Fund Commission. But the Commission did much more than support the County Home Rule Tax Amendment. The campaign was complicated by a bitter attack on the Oregon system of popular government. All the powers that prey were united to destroy the system by indirect attack. Without the literature supplied to every voter in the State, at the expense of the Joseph Fels Fund Commission, there is no doubt the reactionaries and standpatters would have won control of the State government. They would then have

placed such restrictions on the use of the initiative and referendum, and so amended the direct primary law, as to have practically restored the old system before the general election of 1912. Instead of that, with the help of the Fels Fund, the progressives not only defeated this attack, but also secured the adoption of the first Presidential Primary Law, which was quickly imitated by so many other States that Wilson's nomination and election over Taft was made possible. No one man contributed more to the success of the 1910 campaign than Dr. W. G. Eggleston. His writings were a very large factor in saving the system of popular government in Oregon.

For the campaign of 1912, the Single Taxers proposed by initiative petition the Graduated Single Tax Constitutional Amendment. The adoption of this measure would have broken up all the great landed estates and exempted all personal property and land improvements from taxes in Oregon. This campaign was one of the most violent and bitter in the history of Oregon politics. No other campaign in Oregon, not excepting the campaigns for Prohibition and Woman Suffrage, has ever aroused so much bitterness, misrepresentation and falsehood. This amendment was lost by a vote of practically 8 to 3 in a total of about 112,000 votes on the question.

At the same election County Single Tax Exemption measures were submitted in the counties of Multnomah, Clackamas and Coos. They were all lost, though in Coos County by a very small majority. In the general stampede against anything that looked like the Single Tax, the County Home Rule Tax Amendment that had been adopted in 1910 was repealed in 1912, though not by a large majority.

In the campaigns of 1910 and 1912, the Fels Fund Commission spent more than \$60,000 in Oregon.

In 1914 the Single Taxers proposed the Fifteen Hundred Dollar Homes Tax Exemption Amendment, supported on the ballot by A. D. Cridge, G. M. Orton, Will Daly, H. D. Wagnon and W. S. U'Ren. This measure proposed to exempt for each taxpayer \$1500 of the assessed value of his live stock, implements, machinery, merchandise, dwelling house and other buildings, fences,

orchards, vines and other land improvements. It was intended especially as an exemption measure for the benefit of the small home owners and the small farmers. This was rejected by a majority of substantially 2 to 1 in a vote of more than 200,000 on the measure. The women voted for the first time at a regular general election. The campaign for this measure was paid for wholly by the Single Taxers of Oregon.

For whatever of blundering there may have been in the campaigns of 1910, 1912 and 1914, the writer accepts full responsibility. He was given practical control of the funds and of the conduct and management of all three campaigns. Joseph Fels, Daniel Kiefer, and Bolton Hall, of the Fels Fund Commission; and C. E. S. Wood and H. W. Stone of Oregon, were consistently of the opinion from the beginning and through to the end that the exemption method was a mistake. They held that we should do better and make more rapid progress towards our goal, presenting the full Single Tax philosophy as proposed by Henry George in *Progress and Poverty*, than by any effort for exemptions of any kind, or for the limited Single Tax as proposed by Thomas G. Shearman, no matter in what form the idea might be presented. There were others in Oregon who agreed with them part of the time, and many contributors to the Fels Fund who agreed with them all the time, but the overwhelming majority of the more or less active Single Taxers seemed to believe in and advocated the step by step method.

Apparently the majority in other States still believe in the step by step plan of partial exemption, either for the State at large or for local home rule. But here in Oregon it may be safely said we have learned our lesson. Looking back over the past eight years it seems that many of us have been very stupid and slow to acquire what the Methodists call "a saving conviction" that the Single Tax is essentially and fundamentally a great moral issue. It is not a mere fiscal question of whether taxes shall be paid on one or another kind of property, or whether any class of property owners will pay more or less under one plan than the other.

After our four campaigns here for step by step measures, experience is all we are sure we have. We think we have quite a

stock of favorable sentiment accumulated among the voters that will bring them over later with a rush, but the wish may be father to the thought. The young men do not flock to the exemption standard. The hope of saving a few dollars never inspired the search for the Holy Grail. The Sir Galahads do not willingly and knowingly spend their lives saving mere dollars for other men; and the Sir Galahad kind of people are the kind of people who must make the Single Tax a part of the economic system of the world. At no time during our campaign has there been anything like the enthusiasm of the Anti-Poverty Society before the invention of the limited Single Tax.

Judging from the results obtained in British Columbia and other places north of the line, most of us do not believe a mere exemption measure is worth a fight, even if we could be sure of its adoption. The chief result in the British Provinces now seems to have been a boom in land speculation and necessarily higher prices for land. A promise of the same result as to prices was made in the Pueblo campaign, and yet that is not what Single Taxers want or are working for.

We have learned from costly experience in Oregon that Single Taxers must offer a measure which puts our enemies on the defensive. As to mere exemption laws, our foes take the offensive and we are on the defensive. Advocates of a reform worth living for must not occupy the position of explainers and defenders. The explainer and defender in politics is ever a loser. The Single Taxers in and out of organized labor in Oregon are now going after public ownership of all the land rent, both actual or potential. Their measure will break land speculation as soon as it is adopted and will hinder speculation as soon as it receives a fair vote.

We are going out for an economic system in which every man can always make and own his job. With that opportunity ever open, would-be bosses and employers would be ever soliciting the laborer's services, and the laborer himself would pick and choose, instead of being the cheapest of living creatures.

We know from costly experience that the full strength of the moral reason and argument for the Single Tax on land rent can-

not be offered for anything less than a demand for its full application. The land rent lords and speculators can present the full strength of their defence, and with all its prejudices, against any mere exemption or site value tax measure for revenue only.

With us, as Single Taxers, revenue is a wholly secondary consideration. Revenue, and more revenue, can be had from a hundred different sources. We want the use of the earth to be free for the sons of men.

We shall never begin to get anything worth while until we tell the people what we want, and all we want, by presenting a full Single Tax measure so far as it is possible to apply the principle under State laws and constitutions. In that day, and in that way, only, we shall prove we have the courage of our convictions.—
W. S. U'R.

RHODE ISLAND

After the extension of the suffrage in 1888 a communication appeared in a Rhode Island newspaper, entitled "What Next?" The question thus put was answered by the writer, "Single Tax." As a result of the agitation then begun, a law was passed in 1890 requiring assessors of taxes in towns and cities to subdivide "Real Estate" into its component parts, "Land" and "Improvements." But an effective opposition arose after one year's trial and in 1891 the law was repealed.

Among the speakers in that campaign were Henry George and Thos. G. Shearman. In 1891 nearly five hundred citizens in the town of Cumberland petitioned the legislature for the local application of the Single Tax, but their efforts failed.

In 1892 a law was enacted enabling any town so voting to exempt new manufacturing industries for a period of ten years. Many towns and cities of the State availed themselves of this permission.

Although the members of our Henry George club and others in the State continued the educational campaign, it was not until late in 1907 that pecuniary assistance was received from without the State. At that time Mr. Frank Stephens was sent by the National Single Tax Organization to give us the help we asked for. He interviewed quite a number of our influential men, addressed labor and other organizations, enabled us to establish headquarters, assisted in forming the Rhode Island Tax Reform Association, and edited the first numbers of our little bulletin. Among those whom he interviewed and whose endorsement of "Home Rule in Taxation" he secured, were W. H. P. Faunce, President of Brown University, and William McVicar, Episcopal Bishop of Rhode Island. Other Single Taxers came to our help during this period, including Messrs. Bolton Hall, John Z. White, Herbert S. Bigelow, James R. Brown, John Sherwin Crosby, John J. Murphy, William Ryan, Chas. Frederick Adams, J. W. Bengough, Mr. and Mrs. Joseph Fels, and others.

Mr. Joseph Fink, of New York, secured most of the signatures of corporations to our petition, and he said the men who signed understood fully the end at which we aimed. Mr. John Z. White spent nearly a year with us at this time. With the assistance of George D. Liddell, then secretary of the Rhode Island Tax Reform Association and Henry J. Chase, then as now its corresponding secretary, Mr. White prepared a very thorough pamphlet on Woonsocket. The figures it gave, with land separated from improvements, had an influence in securing such separation in the law of the State known as "The Tax Act of 1912."

For the past five years the R. I. Tax Reform Association has conducted the "People's Forum." The idea of an open forum was suggested to us by the Ford Hall meetings in the city of Boston. Our Forum has held a meeting every Sunday in the year. An invited speaker occupies about three-quarters of an hour, is questioned by the audience about fifteen minutes, and is followed by five minute speakers from the floor. It is our aim to have an address on the Single Tax about once a month. These meetings have been well attended.

The daily press of the State has been generous in reporting these meetings and in publishing communications from Single Taxers. Both of our Sunday papers have a page devoted to letters from the people, and we have utilized these to the fullest extent.

Every year since the formation of the R. I. Tax Reform Association a local option measure has been introduced into the legislature. Public hearings have been given repeatedly upon the bill, but a majority of the committee to which it was referred have never seen fit to recommend its passage.

In 1912 a very important taxation act was enacted. It provided for a permanent State Tax Commission composed of three members. The law included two features looking in our direction. The one which we had especially advocated before the committee was the more accurate classification of ratable estate. Up to that time the law had required but two classes of property to be assessed, namely "real estate" and "personal property." Now four classes must be valued and taxed separately, namely,

"Land," "Buildings and other Improvements," "Tangible Personal Property," and "Intangible Personal Property." This classification is on file and open to the public in the offices of the assessors of the several cities and towns, and in the office of the Tax Commission in the State House. Most of the tax books printed by the towns and cities likewise give the four columns separately. The other feature of the Tax Act of 1912 in the direction of the Single Tax is the low flat rate fixed by the State for all its municipalities of \$4 per thousand upon intangible personal property. This provision, although thus far it has lessened the revenue from intangible personal property, seems to serve the good purpose of proving, as does also the exemption of new industries, the power of our legislature under the constitution to apply the Single Tax.

Rhode Island, containing relatively more manufacturing industries than any other State, presents an unrivaled field for the application of the Single Tax. Our efforts for its adoption here have been addressed chiefly to manufacturers. It is upon them we have depended for securing the passage of an act allowing any town or city by vote to exempt from taxation, for a period of ten years and until otherwise voted, "buildings and other improvements, tangible personal property or both." While hundreds of business men representing corporations have in writing endorsed local option in taxation, their support in the past has been passive rather than active. When a public hearing upon the pending act was given by the legislature only a few of the influential petitioners put in an appearance, but in May, 1915, a movement toward concerted action by the manufacturers was begun. Steps were then taken toward the formation of a permanent organization for the purpose of securing the needed legislation. Moreover, as an illustration of the growing hospitality of the State to our doctrines, the Providence Chamber of Commerce, the principal organization of business men of this city, telegraphed to the Single Tax Conference when in session at San Francisco inviting it to hold its next annual convention in Providence.—L. F. C. G.

CALIFORNIA

Mention might be made of other States where the advocates of the Single Tax have not been idle. But the movement in California where Henry George lived for so long and where *Progress and Poverty* was written has been such as to attract nation-wide attention. It was here the first organization to spread the teachings of Henry George was organized, with the late Joseph Leggett as its first president; and it was under the auspices of this organization that Henry George delivered his first formal propaganda lecture in the Metropolitan Temple in San Francisco, March 26, 1878.¹

The campaigns of James G. Maguire for governor were not Single Tax campaigns. Judge Maguire was a friend and adherent of Henry George, but he was the regular Democratic nominee, and though the Judge's opponents sought to inject the Single Tax into the campaign the candidate declared it was not an issue. He was defeated, but whether his well known reputation as a Single Taxer tended to militate against his success cannot be determined.

The actual operation of measures approximating to Single Tax, namely, the exemption of improvements in the irrigation districts of California, is treated elsewhere in this work.² The two campaigns for local option in taxation, advocated by the Single Taxers avowedly for the purpose of having the Single Tax tried out in some locality, secured in 1912 a vote of 169,321 to 243,959 and in 1914 a vote of 267,618 to 375,634. In the second election the vote in favor was increased nearly one hundred thousand, as will be seen, but the adverse vote was increased in even greater proportion.

In 1916 a straight-out Single Tax measure was submitted as an amendment to the Constitution. Its provisions were as follows:

¹Young's History of the Single Tax Movement in the United States.

²See article succeeding.

Public revenues, State, county, municipal, and district, shall be raised by taxation of land values exclusive of improvements, and no tax charge for revenue shall be imposed on any labor product, occupation, business, or person; but this shall not prevent the assessment of incomes and inheritances to provide funds for old age pensions, mothers' endowments, and workingmen's disemployment and disability insurance.

Land holdings shall be equally assessed according to their value for use or occupance, without regard to any work of man thereon; this value shall be determined in municipalities, and wherever else practicable, by the "Somers system" or other means of exact computation from central locations.

The intent of this provision is to take for public use the rental and site values of land, and to reduce land holding to those only who live on or make productive use of it.

This amendment received 260,332 affirmative votes against 576,533 negative, the affirmative vote being 31.1 per cent. of the total.—EDITOR.

PARTIAL APPLICATIONS OF THE SINGLE TAX

CALIFORNIA'S IRRIGATION DISTRICTS

The Single Tax is used by the Irrigation Districts of California for the maintenance and operation of the irrigation system, payment of interest and sinking funds of the bonded debt and other purposes. The irrigation law of California, as originally adopted, provided for the taxation of improvements as well as the land for district purposes. Personal property has never been taxed by irrigation districts. In 1909 the statute (General Laws Act 1,726, Sec. 35) was amended by limiting the assessment in all new districts organized after April 1st, 1909, to the land value only. The five districts then existing, organized under the old law, were permitted to adopt the new system by "a majority vote of the resident holders of title to lands situated within the district."

It was through the efforts of owners in the Modesto Irrigation District that this change in the law was brought about. Immediately a campaign was entered upon to adopt the new system of taxation. Mr. George Perley, President of the Stanislaus County Abstract Company, has given me the following illustration which was used to show the farmers the injustice of the existing system of taxation:

Assume that two taxpayers represent an entire community.

The first table shows each of them owning an equal area of land unimproved.

	ACRES	ASSESSED	TAX RATE	TAX OF EACH	TOTAL TAXES FOR COMMUNITY
A	10	1,000	6.00	\$60	} \$120.00
B	10	1,000	6.00	\$60	

A builds a home for his family, with the following results:

	ACRES	ASSESSED	TAX RATE	TAX OF EACH	TOTAL TAXES FOR COMMUNITY
A	10	1,000	} 4.00 {	\$40.00	} \$120.00
B	10	1,000		\$80.00	
"	Home	1,000			

Because B built a home he has to pay \$20 of A's taxes, *i. e.*, A's tax is reduced \$20 and B's is increased \$20.

These tables also show that for unimproved land each paid equal taxes—\$6 per acre. When B built his home his tax was increased to \$8.00 per acre, and A's at the same time reduced to \$4.00 per acre. Yet the productivity of the land was not increased by the building of the home.

At the election held in 1911 the new system of taxation was adopted, and since that time the tax has been levied upon the value of the land only. During February of 1914 a statement was issued, at my request, by the Directors of the Modesto Chamber of Commerce about the effect of the new system of taxation. This statement was also signed by all of the Directors of the Modesto Irrigation District, Stanislaus County Building Council, each of the four banks, and the two newspapers in Modesto City, and the Modesto Gas Company. It says in part:

"The Modesto Irrigation District was organized in 1887. It was soon found that the small farmer who had built his house and barn and set out trees on his land was paying an excess proportion of the taxes of the district. On the other hand, the large owners, who made little or no improvements and refused to sell their land, had their taxes reduced because of the increase in the total assessed value of the property resulting from the new improvement. An attempt was made to relieve these industrious small holders, but the large owners objected so strongly that the assessment was put back to the old figures, and relief finally gained through an amendment of the irrigation law.

"As a result of the change (to the taxing of land value only) many of the large ranches have been cut up and sold in small tracts. The new owners are cultivating these farms intensively. The population of both the country and the city has greatly increased. The new system of taxation in collecting all of the tax from the value of the land has brought great prosperity to our district. Farmers are now encouraged to improve their property. Industry and thrift are not punished by an increase in taxes.

"In the Modesto Irrigation District the man who builds a house or barn will not have his irrigation tax increased. He will pay no more than his neighbor next door, who allows weeds to grow on his land."

The total area of this district comprises about 80,000 acres. The tax rate averages \$3.50 on the \$100 of land value.

The Turlock Irrigation District, of 176,000 acres, adjoins

Modesto on the south. It is one of the old districts and did not adopt the Single Tax until February 1915. The vote was on the tax question only, and resulted in 993 votes in favor, to 260 against. The campaign was conducted on pure Single Tax lines. Editor E. H. Robinson, of the *Ceres Courier*, had numerous classic Single Tax editorials in his paper favoring the change, frequently quoting from *Progress and Poverty*, Tom Johnson's *My Story*, Louis F. Post, and other Single Tax writers. The *Turlock Tribune* also had many editorials of the same character. In one of them it said: "The benefits of the Single Tax will accrue to those who have brought their holdings to the highest stage of improvement," and then shows that the Single Tax will make the tax rate on the land value alone \$3.90 on the \$100.

The first districts to be organized under the new law were the Oakdale Irrigation District, in Stanislaus County, and the South San Joaquin Irrigation District in San Joaquin County, each of about 80,000 acres, during the year 1909. A statement was issued early in 1914 by the City Trustees of Oakdale, at my request, as to the effect of the new system of taxation. This statement was also signed by all of the Directors of the Oakdale Irrigation District, Board of Trade, Woman's Improvement Club, two banks and two newspapers, and the city officials of Oakdale City. It reads in part:

"The Oakdale Irrigation District was organized as a Single Tax Irrigation District under the law of the State of California in 1909. The chief argument in favor of organizing under the Single Tax system of raising revenue for the operation of the district was that the farmers would not be penalized for their industry; that when our farmers improve their lands by planting alfalfa, setting out trees and vines, building dwellings, barns and other improvements, that their taxes would not be increased, and that they would pay the same tax as their neighbors with the same area and quality of land who made no improvements.

"Even in the short space of less than a year many of the promises made for the Single Tax have been fulfilled. The large ranch so common under the old system of taxation is fast disappearing from our district. Speculators do not buy land here, each sale is made to an actual settler, who brings his family among us, builds a decent home, seeks to better the social conditions of his neighborhood, and adds greatly to the prosperity of our community.

Our experience has taught us that the more you relieve improvements from taxation, the quicker will the country improve.

"The Single Tax is the best system of taxation we could have for our farms. We know that it is making our district grow. All of our farmers favor it, because of the exemption of improvements. No one in the district would want to go back to the old system. The Single Tax is right because it improves the country. Our farmers put the land to its highest use, the use that is most beneficial to the whole community. Our system of taxation compels them to do this, and they thus reap a greater profit for themselves. Many say that they can now afford to borrow money to make improvements, which they could not do under the old system.

"We invite farmers to come and settle among us. Their industry will not be taxed by the Oakdale Irrigation District. Our Single Tax system of taxation encourages industry. We make the man who keeps his land idle pay the same as the man who improves. Those who build up our community and create its wealth will not be penalized."

The tax rate in the Oakdale District is \$6.20 on the \$100 of land value. The vote for the organization of the district under the Single Tax was 349 yes and 27 no. The vote on the first bond issue was 339 yes and 9 no. The irrigation districts are discovering the real value of the Single Tax. The *Stockton Record* press dispatches from Oakdale recently said:

"The Directors of the Irrigation District are trying to force the sub-division of some of the larger bodies of land being held for advance in values, by an increase \$5.00 per acre in the valuation for taxation purposes. Last year all the \$30.-an-acre land was increased in value \$40.00 an acre, and this year another \$5.00 was added to the valuation. These lands are all held in large tracts, and the district is anxious to see their development by small land owners, and the shifting of the tax from the smaller land owner to the big ranch man will, it is thought, bring that about."

The Imperial Irrigation District of 530,000 acres was organized in 1912, to take over the irrigating system owned by the California Development Company, which had proved a failure under private ownership. It is located at the extreme southern end of the State, on the border line of Mexico. The election for the issuance of \$3,500,000 of bonds was held October 29th, 1915. The vote was 3,278 yes and 330 no. The bonds have just been sold, and the district will now take charge of the irrigating system.

The Anderson-Cottonwood Irrigation District was organized in July, 1914; vote: 400 yes, 17 no. This district comprises 32,000 acres, and is located in Shasta county in the extreme northern section of the State. The Paradise Irrigation District, in Butte county, has just been organized, with a total of 14,000 acres. Altogether the irrigation districts in California, operating under the Single Tax system of taxation, comprise a total of 1,000,000 acres. New districts are being proposed, or in process of organization, that will add 500,000 acres to the Single Tax system. These lands are all located in fertile valleys, and are among the richest sections of California.—E. P. E. T.

THE EXPERIMENT AT HYATTSVILLE, MARYLAND, 1892

Hyattsville is a suburb of Washington, D. C., located in Maryland, a short distance beyond the District of Columbia line. In the Summer of 1892 a majority of the Board of Commissioners of the town, consisting of Jackson H. Ralston, Charles H. Long and George H. Britt, all Single Taxers, determined to adopt for the town purposes the principles of the Single Tax, and accordingly struck from the assessment rolls all taxes upon improvements. Prior to that time, taxation on personal property had been abandoned by common consent, and the taxes had been levied upon land and improvements, assessed separately. The then rate of taxation was very low, being fifteen cents per hundred dollars, but, with the omission of taxes on improvements, the rate was raised to twenty-five cents per one hundred dollars, in order to realize the same or a little larger revenue.¹

¹Hyattsville was not the only nor the first township to attempt the Single Tax experiment. Away back in the early days of Alton, Ill., improvements were stricken from the assessment list. As in Hyattsville those dissatisfied brought action to have the mode of assessment set aside, and appearing for those whose purpose was to restore the old methods of assessment were John J. Hardin, a well known name in the annals of the State, and "A. Lincoln." The case may be found in the Illinois Reports, page 69 (Filch et al vs. Pickard et al, 4 Scammon).

The contention was that "the ordinance regarding the lots to be valued without regard to improvements was a violation of the Constitution." This was denied, and in proof that Single Tax arguments were not wholly unfamiliar even in that day, the lawyers defending the ordinance say:

"Nor did the act of incorporation require that improvements should be included in the assessment of the lots. It had reference to the naked soil, and did not intend to interfere with that liberal policy which protects and encourages improvements." The ordinance lost by the vote of a divided court. Unfortunately no dissenting opinion was filed.

The inauguration of the Single Tax system was not allowed to go unchallenged. Immediately the larger landowners of the town started a lively agitation. They represented to each other, and to their fellow citizens, that the measure adopted by the Board of Commissioners was anarchistic in the extreme and meant the confiscation of their property. Complainants appealed to the Circuit Court of the county for the issuance of a writ of mandamus, directing the Commissioners to reform their levy and to include in their assessments personal property and improvements. Upon the cause being heard in the Circuit Court, the Judge decided, contrary to the contention of the petitioners, that the Commissioners were authorized by law to make exactly the levy they did make, and that their action was constitutional. This opinion was fortified by numerous citations from Maryland authorities, and from it an appeal was taken. Without for the moment discussing the future course of litigation, it may be said that, pending it, all those who were interested in opposing the enforcement of the Single Tax system, determined to pay no taxes under it, but the Commissioners proceeded in the orderly methods provided by law, and when the day arrived for the charging of interest upon the taxes they had levied they notified all delinquents that such interest would be enforced, and many who had been in arrears then paid their taxes. Later, when the moment therefor was reached, this was followed up by a further notification that the Commissioners would proceed to enforce the collection of taxes by levy, and, upon this announcement, practically all taxes in arrears were paid.

Later the case was brought before the Court of Appeals of the State, and that body decided that the action of the petitioners was wrongfully brought, and that they should have proceeded by way of injunction instead of mandamus, and therefor dismissed their application. Not content with this, however, which was all it would appear the Court was authorized to do, it proceeded to declare that the Commissioners were not authorized by the town charter to exempt personal property and improvements from taxation and, furthermore, that such action on their part was unconstitutional. Notwithstanding this decision, the Court

of Appeals in another case involving a different question, and coming before it three years later, held that no provision of the Constitution, except some in certain particulars referring to the city of Baltimore, had any relation whatsoever to municipalities, which were, it declared, entirely subject to legislative disposition, thereby sustaining the principal contention of the Commissioners, and in effect, though not in words, reversing the decision in the Hyattsville Single Tax case.

The net result of the local contest, however, was in fact to reverse the action of the Board of Commissioners and to render impossible any further attempt to enforce the Single Tax system.

The interesting point of the whole experiment must be its operation and effect, rather than the details already given. When it was inaugurated one of its leading opponents said, "We must get rid of this Single Tax. If we do not kill it now we will never be free from it," as strong a tribute as possibly could be made, for if it were right and just in its operation, they could never hope to escape from it, while, if it had been unjust, its speedy repeal was to be anticipated. Furthermore, the more far-sighted ones feared if it worked to the satisfaction of the majority in town affairs, it would most likely be applied to county and perhaps ultimately to State taxation. The town rate of taxation was so small that any of them could have well afforded to submit to it, but its extension would have been burdensome to those who obtained unjust advantages from the present system of taxation.

Before the Single Tax was adopted some of the large landowners maintained that if it were enforced, poor men could not hope to retain land, because of inability to pay these high taxes. This contention was ridiculous, and it received no support after the adoption of the system, for immediately thereafter the large owners said that they could not afford to hold their lands under it and would be compelled to dispose of them at any price, a result which would have materially increased the number of small owners whose only object would have been to put their land to its best use.

Many striking illustrations could be given of the manner in which the operations of the Single Tax changed the system of

taxation. The largest individual speculative landowner paid in taxes the year preceding the adoption of the system about one hundred dollars. Under the Single Tax he contributed to the land revenues in round numbers one hundred and sixty dollars. At the same time, practically every holder of improved land found his taxes lessened, notwithstanding the increase in the rate of taxation and, as these smaller owners, together with others who hoped at some time to possess homes of their own, constituted the large majority of the voters of the town, it seemed fair to expect that the Single Tax, once adopted, would never be abandoned.

The whole contest was marked on the part of the advocates of the old system of taxation with a degree of bitterness hard to be realized by one who took no part in the struggle, and which illustrated how thoroughly the opponents of the measure realized its far reaching consequences. It afforded new proof of the fact that those who hold unjust advantages will not willingly yield them.

—J. H. R.

RECENT STEPS IN AMERICAN CITIES

HOUSTON, TEXAS

Following are brief accounts of partial Single Tax experiments in cities. For Vancouver, B. C., where full exemption of improvements has been longest in operation, see article in this work on "Western Canada." For explanation as to the distinction between Single Tax and even total exemption of improvements, and that the reader may be guarded against erroneous inference, see Index for "Vancouver;" also Answers to Questions. For Pueblo's interesting but disastrously terminated attempt to rid itself of taxes on improvements, see article on Colorado.

In April, 1911, Mr. J. J. Pastoriza was elected Houston's Finance and Tax Commissioner under the Commission form of government adopted for that city a short time before. He immediately proceeded to apply Single Tax principles, in so far as these could be applied. His acts were extra-legal, and the entire move of more than doubtful constitutionality.

He introduced the separate assessment of land and improvements and the Somers' system of assessment. He assessed the franchise corporations of Houston, which had previously been untaxed, at \$2,000,000. In July, 1912, he announced that the city of Houston had decided to exempt from taxation all personal property, stocks, bonds, mortgages and cash in banks, and that land would thereafter be assessed at 70 per cent. of its full value and improvements on land at only 25 per cent. of their value. This policy was administered up to 1915, and it became known as the "Houston Plan of Taxation." It found great popular favor. Mr. Pastoriza was twice re-elected. In 1915 he received 5,659 votes as against 1,963 for his opponent.

Under this system the city prospered as never before. During 1912-1913 building increased 55 per cent., bank deposits increased \$7,000,000, and the population increased 25,000. The president of the Clearing House at Houston said: "The Houston Plan of Taxation has brought about substantial increase in the deposits

of her banks and trust companies, and the majority of the business and mercantile interests of the city think well of the plan."

It is true the conclusions drawn from these figures have not remained unassailed, notably by Allan Robinson, of the Allied Realty Interests, and by R. M. Haig.¹ But as if to reinforce these deductions, however, we have certain further facts following the repeal of the Houston Plan of Taxation by the decision of the courts compelling the assessment of all property in accordance with the terms of the archaic constitution of the State. This repeal was the result of a suit brought by a few dissatisfied land speculators to compel the abandonment of the system. It is interesting to note what followed. Building permits dropped from \$5,526,200 in 1914 to \$2,425,553 in 1915 underequal assessment. The building boom had ceased. There was an immediate move to withdraw deposits from the banks to escape taxation.

Mr. Pastoriza finally took a postal card referendum, asking if the old system should be restored. The answer was overwhelmingly in the affirmative, in fact 99 per cent. voted to return to the old system. For the year 1916, therefore, exemptions were allowed, improvements were assessed at 50 per cent. of their value and land at 100 per cent.

Again it is necessary to caution the reader that exemptions such as prevail in Houston and the Canadian cities do not make these places Single Tax centers. The Single Tax aims to take the entire rental value of land. Movements which fall far short of this may result in increased prosperity in cities, increase in the volume of bank accounts, and a boom in building. But where enough of the rental value remains to serve as a basis for speculation in land these results may be in great part neutralized. There seems no reason to doubt, however, that such approaches as have been made toward the Single Tax in Houston and the Canadian cities in a measure at least explain the greater business prosperity and industrial activity of these cities. That all of it is to be so explained, need not be contended. Enough remains removed from the field of mere conjecture to further fortify the case for the Single Tax, even in its initial stages.—EDITOR.

¹See latter's Report for the Committee on Taxation of the City of New York.

PITTSBURGH AND SCRANTON

In 1910 Pittsburgh had one of the most inequitable systems of taxation in the country. There were three classifications of real estate, urban, rural and agricultural. Urban embraced the closely built-up district and paid the full tax rate. Rural embraced these suburban districts and paid two-thirds of the full rate. Agricultural embraced large tracts of vacant land and paid one-half the full tax rate. Also "agricultural" land was frequently assessed at much less than its value as vacant land for building purposes. Valuable tracts were used for pasture, although surrounded by built-up districts, and enjoyed both under-assessment and one-half the general rate.

To make matters worse, each ward of the city was a separate school district, and the expenses of its schools were paid by taxes on the property in the ward. As a consequence, the wards with a preponderance of small homes and a large number of children, had a very high school tax rate, whereas in the down town business districts, with enormous land values and scarcely any school population, the school tax was negligible.

The tax rates paid on different properties varied from 7.85 to 25 mills on the dollar. The low rates were paid almost entirely by large "agricultural" holdings, while the high rates fell on small residences and congested tenement neighborhoods.¹

The awakening came in 1909 when the Pittsburgh Board of Trade launched a movement to abolish the three classifications. Other civic organizations joined in the demand for tax reform so that in 1911 the Pittsburgh Civic Commission, the Allied Boards of Trade, the Chamber of Commerce, the Pittsburgh Teachers Association and the Federation of Women's Clubs massed their forces before the State Legislature and secured from it abolition of the classifications and a new school code which provided a uniform school tax rate throughout the city. A bill was also put through exempting machinery from taxation in second class cities. This latter enactment was the beginning of the policy of exempting

¹Citation from article by Shelby M. Harrison in the *Survey* for July 1st, 1911.

industry from taxation, which was closely followed up in 1913 by what is known as the Graded Tax Law for second class cities.

Shortly after the Legislature of 1911 adjourned, the Pittsburgh Civic Commission began a thorough analysis of the taxation system of the city with the end in view of lifting the burden of taxation from industry and placing more of it upon the great land holders of the city, who were impeding the city's progress by holding the land at prices prohibitive to industries and residents. To bring about this result the committee which made the investigation, recommended that all buildings in the city be taxed at a rate 10% less than land values the first year, 20% the second year, 30% the third year and so on until the tax rate on buildings would be one-half that on land values, at which time it was expected that the plan would have so far justified itself, that at one more step buildings would be entirely exempted from taxation. The report of the committee, together with its recommendation, was printed and widely circulated. The attention of Mayor Magee was enlisted and his support to a bill embodying the recommendation of the committee was secured, so that in 1913 the bill was introduced into the Legislature as an administration measure. However, before passage it was found necessary to modify it so that instead of reducing the rate on buildings 10% each year it was reduced 10% each triennial assessment or every three years. In this shape the bill was passed, and became a law. Effects of the law were almost immediately apparent, many properties which would not have paid a sufficient return under the old system were built upon and improved profitably under the new, so that in 1913 and 1914, while other industries of the city lagged, the building business flourished. However, the effect was also felt by the large land owners, who set about to secure the repeal of the law. The support of our unenlightened Mayor, Mr. Armstrong, and his majority in the City Council was secured for the repealer and as a city administration measure it was passed by the Legislature of 1915, against the determined and stubborn opposition of the Pittsburgh Civic Commission, the Allied Boards of Trade, the Pittsburgh Realty Owners Association, the North Side Chamber of Commerce, the Pittsburgh Single Tax Club and other organizations who

appealed successfully to the Governor who vetoed the repealer. In vetoing the bill Governor Brumbaugh said:

"This bill is a repealer. It applies only to cities of the second class. It repeals the Graded Tax Law in these cities. The present tax law, passed in 1913, makes a separation of land and of buildings for taxable purposes, and reduces triennially ten per cent. the tax on buildings until the minimum of 50% is reached.

"The Act of 1913 was urged by all parties in interest. This repealer is opposed by the largest group of protestants that have been heard on any bill. It is advocated by those now in charge of the fiscal policy of one of the two cities concerned.

"Inasmuch as there is such a conflict of opinion, and inasmuch as the law has scarcely yet been tried, it is well to allow it to operate until a commanding judgment decrees its fate. Let the people concerned study freely and fairly the operations of the present law and, if found after two years to be inadequate to the needs of the cities or unfair in its provisions, it can then be repealed. To disturb it now when a preponderance of opinion favors it is unwise. For these reasons the bill is not approved."

In 1916 the City Council of Pittsburgh authorized the Mayor, Comptroller, and President of Council, to appoint fifteen citizens as "The Committee on Taxation Study." This Committee submitted a report November 13, 1916. In discussing the "graded" tax the Committee said:

"No little discussion has been indulged in regarding the merits and demerits of this law. Economic results have been prophesied by its advocates and its enemies out of all proportion to anything which such a gradual change in the tax rate could occasion. This we believe is in part due to certain other changes in laws affecting taxation in Pittsburgh, passed by the Legislature in 1911 and 1913. * * * *

"The effects of the repeal of the classification act and the enactment of the school code have in the public mind become associated with the graded tax law and to this confusion may be traced much of the exaggerated results attributed to this law. These legislative enactments brought about long-needed improvements in our local taxation system. Though great benefits resulted to the community as a whole hardship to some was inevitable.

"After the most deliberate consideration your Committee is of the opinion that the Graded Tax Law should be given full and fair trial."

The Committee presented tables showing the effect of the change on the tax rates of 1916, (the rate on buildings being 90% of that on land) as follows:

Tax rate on land.....	21.85
" " " buildings	19.33
" " " land and buildings if law had not been passed . .	20.887
Per cent. increase of tax on land.....	4.6
" " decrease on buildings.....	7.5

The constitution of Pennsylvania forbids special legislation for a particular city, but cities are divided into classes, according to their population. While the agitation for the reduced tax on buildings came from Pittsburgh, the law also affects the other "second class" city—Scranton with a population of 130,000. Scranton seems to be quite satisfied with the law and took no part in the agitation two years ago for its repeal.—W. P. AND EDITOR.

EVERETT

On November 7, 1911, Everett, with a population of twenty-five thousand, by a majority of 98 amended its charter to provide for the exemption of improvements from local taxation. The amendment, which did not exempt personal property, exempted only twenty-five per cent. of the value of improvements, taking four years to reach a full exemption. Even after this popular demand had been made, the City Commission omitted the Single Tax from the new charter to be voted on, but agreed to submit it as a separate proposition. At this referendum election the charter was adopted by fifty-eight votes, but the Single Tax lost by fifty-three.

In November 1912 the measure was voted upon for the third time. The amendment was adopted by a vote of 4,858 to 2,637, carrying every precinct. It was, however, adversely passed upon by the State Tax Commission which declared it unconstitutional. Owing to its doubtful legality Single Taxers raised no contest in the courts and no further Single Tax campaign has been waged in Everett.—EDITOR.



SINGLE TAX ENCLAVES

We use the word enclave to mean an area of land where the economic rent is collected under the terms of leaseholds and used to pay certain of the taxes levied by the town, county, State or nation.

An enclave may, or may not, be a colony, depending upon whether its characteristic note is attracting settlers or extension of territory, the bringing of the people to the land or of the land to the people. The first class, which can properly be spoken of as colonies, is represented by Fairhope in Alabama, Arden in Delaware, and Free Acres in New Jersey; the second class by Tahanto in Massachusetts, while Halidon in Maine represents a compromise between the two, for, while in theory it is like Tahanto, its growth has consisted more largely in accessions of colonists than in accessions of land.

All the enclaves are indetical in the principle of taking the economic rent and using it for the payment of taxes; in all of them, therefore, improvements are exempt; thus, in essence, the Single Tax prevails; but, on the other hand, in no one of them has there been any attempt to pay either the customs or the excise or the national income tax, or to atone to enclavians for the artificial increment in the prices of domestic goods due to the "protective" policy. Thus, to a substantial degree, the plan, as so far exemplified, fails to realize the splendid conception of Henry George, of a Single Tax on the value of land, involving freedom of trade with foreign countries and freedom from interferences at home. But it is much to untax improvements, and, thereby, to untax local industry.

The vitality of the enclaves is to be noted. All of the numerous socialistic communities of America, with the exception of Amana, are either dead or dying, while each of the Single Taxing communities has grown in vigor with the successive years. It is natural, at the beginning, that many Single Taxers should have

been doubtful about the prospects. The judgment even of Henry George himself, when consulted about Fairhope, was unfavorable. He held it was not advisable to risk the reputation of the Single Tax on the success of a pioneering experiment in land, which might fail for practical reasons entirely unconnected with the principle, and the project also seemed to him more akin to the nationalization of land than to the Single Tax, which he advocated.

Time has invalidated at least the first of his objections. The following figures for recent years, showing a growth of 100% in the last four years, will be deemed satisfactory, when it is remembered that the speculative fever, which often makes Western towns grow so rapidly, is absent. The figures for net rent are obtained by subtracting from the gross rent the amounts paid out for taxes, interest and amortization of debt incurred in the purchase of land.

FIVE ENCLAVES—FAIRHOPE, ARDEN, TAHANTO, FREE ACRES, HALIDON

YEAR	GROSS RENT	Per Cent. of Increase	NET RENT*	Per Cent. of In- crease or Decrease
1911	\$5,109		\$2,831	
1912	6,447	26	3,251	15
1913	8,275	28	3,544	9
1914	8,933	9	3,959	12
1915	10,393	14	3,032	- 24
1916	12,881	24	5,136	69
Average Increase		20%		16%

* Gross rent minus taxes and payments on purchase of land.

Various opinions are held as to the value of enclaves for the purpose of propaganda, some holding that they are too limited to be effective, but this point needs no discussion here. It is enough for the justification of enclaves that they demonstrate the practicality of the Single Tax, that they give opportunities not to be found elsewhere, for their inhabitants, and that they furnish much-needed laboratories where minor, but still very important points, upon which all Single Taxers are not yet agreed, can be determined by experience. Some of these points are: Shall

railroads be publicly owned or operated? Shall the distribution of water, gas, and electricity be communal or private? How nearly is it practicable to take the whole economic rent? Shall a forest be called a site-value or an improvement? Can the increment in rent due to private water-works be collected as a proper part of the economic rent? After collecting the economic rent and paying the ordinary expenses, can the remainder, if any, be devoted to any purpose whatever, or how shall expenses that are properly governmental be defined?

FAIRHOPE

Fairhope is the name both of a municipality, in Baldwin county, Alabama, and of a corporation. The town, founded in 1907, covers about 1,100 acres, 40% of which belongs to the corporation. It has a population of 590, of which about 70% lives on the corporate land. The land of the Fairhope Single Tax Corporation comprises 3,900 acres (of which 2,200 was the gift of Mr. Joseph Fels) with a population of about 650. It was incorporated on August 9, 1904, under the laws of Alabama, taking over the obligations and the land—about 140 acres—of the Fairhope Industrial Association. The Industrial Association was incorporated in Des Moines, Iowa, in the Spring of 1894. The seven charter members of the Association were James Bel-langee, Ernest B. Gaston, S. S. Mann, I. R. Clements, J. P. Hunnell, L. B. Land, and Alfred Wooster, Clements being elected president and Gaston secretary. Mr. Gaston, under the association and later under the corporation (with the exception of two years) has served continuously ever since. The following statement of principles was announced:

" The only plan of co-operative colonization ever proposed, which secures the benefits of co-operation and yet preserves the perfect freedom of the individuals.

"Its purpose is to establish and maintain a model community or colony free from all forms of private monopoly and to secure for its members therein equality of opportunity and the full reward of individual effort and the benefits of co-operation in matters of general concern.

"The law of equal freedom is the cornerstone of its plan; that

'everyone has freedom to do as he wills, provided he infringes not the equal freedom of any other.'

"In government, the law is applied by personal instead of stock vote; with no distinction of sex; and the initiative and referendum.

"In land-holding and use, by the principles of the Single-Tax, the association holding the title to all lands and leasing to individuals in quantities to suit at a rental 'which shall equalize the varying advantages of location and natural qualities of all tracts.'

"In medium of exchange by the issuance of its non-interest bearing notes for services and products, redeemable in services, products and land rents.

"In commerce by association stores, selling goods to members and non-members alike, and dividing the profits quarterly among members in proportion to their purchases and by acting as agent for its members in the sale of their products, charging only cost of service rendered.

"In natural monopolies, supplying water, light, power, telephones, transportation, etc., by association control and operation at cost.

"Participation in all co-operative features is purely voluntary, all being at perfect liberty to buy or sell where they please, to use the association's medium of exchange or let it alone as they please. In short, to be the absolute directors of their own actions—limited only by the law of equal freedom, before enunciated. . . ."

It is significant how, in the lapse of years, the socialistic features have either sunk into insignificance or disappeared altogether. The Fairhope Exchange, organized to facilitate the exchange of products and services, both locally and with similar associations elsewhere, to acquire machinery and to operate industries, died after a brief struggle. The so-called co-operative store also suffered the fate of the unfit. The steamer, which plied to Mobile, 16 miles, was burned at the wharf. The wharf itself was demolished in a great storm in 1906, which at the same time blew down a large public hall, and, for the sake of getting the wharf reconstructed, it was turned over to a private association.

There remain the water-works, which it is expected will soon be turned over to the municipality, and the telephone system, which is also owned and operated by the corporation, except that the instruments themselves are owned by the users.

The wharf was originally built by funds obtained by issuing

scrip, and the short-lived exchange had scrip as a part of its resources, but all that remains today is an unimportant element, scrip issued to anticipate the receipt of rents.

The Constitution of the Fairhope Single Tax Corporation provides: "The purpose of said corporation is to demonstrate the beneficence, utility and practicability of the Single Tax theory with the hope of its general adoption by the governments in the future, in the meantime securing for ourselves and our children and associates the benefits to be enjoyed from its application as fully as existing laws will permit, and to that end to conduct a model community free from all forms of special privilege, securing to its members therein equality of opportunity, and the full reward of individual efforts and the benefits of co-operation in matters of general concern, holding all land in the name of the corporation and paying all taxes on the same and improvements and other personal property of lessees thereon (moneys and credit excepted), charging the lessees the fair rental value."

It is to be observed that, in the leases, the corporation agrees to pay only the taxes levied by the county and the State, whereas it has, since the foundation of the municipality paid, in addition, the taxes levied by the municipal authorities.

There has been much contention, as is natural, on the fixing of rents, which has been greatly reduced by the introduction of the Somers System of valuation, beginning with 1914. But the Somers System concerns itself with relative values, and there appears good reason to believe that the standard adopted, which turns mainly on a comparison with values outside the enclave, is considerably below the economic rent. Nevertheless, although this means that a lease can often be sold for a bonus, yet speculation is fairly extinguished.

The form of government is somewhat oligarchical, and has been much complained of by dissatisfied lessees, for only those can be members of the corporation who own stock and have paid \$100 for membership, and only members can vote. Few being willing to pay so high a price for a vote, the result is that the great majority have no vote, there being 266 lessees and only 84 members. Moreover, even if a man owns a share of stock and is willing to

pay \$100, he can still be debarred from membership, for his admission depends on favorable action by the authorities, who maintain and act upon their right to exclude anyone who in their opinion is not in sympathy with the plan and purposes of the organization.

In 1915 was begun a suit for the dissolution of the corporation, in which the double claim was made that the law under which the corporation was formed was void under the Constitution of Alabama and of the United States, and also that Fairhope did not fulfil the law and did not exemplify the Single Tax. The Supreme Court, on appeal by the corporation, unanimously rejected these claims, and declared Fairhope to be "a corporation *de-jure*." It said: "There is, as we understand it, a marked kinship between the Single Tax system as proposed by Henry George and what this corporation may do and appears to be doing under the warrant of its incorporation." (November Term, 1914-15, I Div. 870 Fairhope Single Tax Corporation vs. A. J. Melville). Thus a cloud that for years had hung over Fairhope, and, indeed, had markedly affected the receipt of rents in 1914, was lifted.

The activities of Fairhope as a resort are varied. Since the thermometer never ranges above 97° and practically never under 20°, and the bathing, fishing, and yachting are good, it is frequented both in winter and in summer, and has inns both numerous and good. Among other things it raises corn, oats, upland rice, sugar cane, velvet beans, peanuts, Satsuma oranges, kumquats, grape-fruit, sand-pears, pecans, and figs. Mrs. Anne B. Call, daughter of the late Prof. Bellangee, one of the founders, sells delicious confections of figs and kumquats. There are several stores, a creamery, and an ice plant. Finally, the *Courier* serves to inform the community and those outside of its progress.

Fairhope, while prettily situated on the Bay of Mobile, is flat and uninteresting as one goes inland. It also offers a soil so poor that it has been a surprise how the colony could prosper and obtain a population which is numerically second only to Bay Minette, the county seat, while in the quality of its citizenship, of its library (given originally by Mrs. Marie Howland), and of its private school (founded and conducted by Mrs. Marietta Johnson,

and widely and favorably known as the Organic School), it stands first in the county. Add to this the unique feature that no case of felony in the courts has ever originated in Fairhope, that, though no law or regulation prohibits a saloon, none exists, and a catalogue of excellences is completed, which it is difficult even for cold spectators not to refer, in substantial degree, to the main-spring of the Single Tax.

The officers of the Colony: Mrs. S. H. Cummings, President of Council; E. B. Gaston, Secy., and J. S. Paton, Treas.

The following table shows the recent growth of the rent of the land of Fairhope, but it is to be regretted that complete figures are not available for the full real estate to show the growth from the humble beginnings, when the first 150 acres were purchased for \$771, to the present day, when the value is estimated by the corporation at a million dollars:

YEAR	GROSS RENT	Per Cent. of Increase or Decrease	NET RENT	Per Cent. of Increase or Decrease
1904	\$1,520		\$1,128	
1905	2,255	49	1,350	16
1906	2,172	- 3	1,230	- 8
1907	3,027	39	1,467	11
1908	3,195	6	1,481	1
1909	3,500	12	1,277	- 13
1910	3,907	11	1,908	49
1911	4,457	14	1,593	- 21
1912	5,665	27	1,946	22
1913	5,890	3	2,479	28
1914	5,992	2	1,438	- 41
1915	7,064	18	2,631	83
Average increase		16%		12%

ARDEN

Of the five enclaves the second in importance and age is Arden, in Delaware, six miles north of Wilmington and twenty miles south of Philadelphia. It was formed in 1900, when William Price and Frank Stephens bought 162 acres of land, half encircled by a beautiful, rocky creek, a mile from the station of the Baltimore and Ohio R. R. now called Harvey (Arden), for \$9,000,

of which \$6,500 was paid by a mortgage which subsequently was taken up by Joseph Fels. The \$2,500 was considered by Price and Stephens as representing the value of the buildings, which they retained privately, leaving the value of the land under the trust as \$6,500. The mortgage was made to apply to only 70 acres—the woodland—out of the 162, leaving all the part now built upon free from incumbrance. The trustees appointed were Frank Martin, William Price and Frank Stephens.

"For the first five years," to quote from the booklet of Arden, "the reward won by the pioneers was very meagre. The community did little more than vegetate and hold its own. But in 1905 the boom began and in 1906 the Inn was established on a firm basis, and homes sprang up in all directions. To this activity the panic of 1907 produced only a temporary set-back. In 1908 the growth of Arden went on apace, and on August 1, 1909, every foot of open ground had a leaseholder, and many applications could not be filled."

In October, 1915, there were about 130 lease-holders averaging about a half acre apiece, and about 100 dwelling-houses on 120 plots. About 20 acres were under lease, not yet improved, but held for building in the future. The Somers System is applied and rents run from \$20 to \$48 an acre. But it seems evident that rents average too little, for bonuses actually paid for assignment of leases in seven cases range from \$80 to \$450 per acre, and the bonuses asked for on seven other leases range from \$40 to \$150. Mr. Stephens reckons the average bonus at \$150. Needless to say, these bonuses and the twenty acres of land held for future use go to show that the deed of trust, which requires the collection of the "full rental value," is not being observed. When rents have been going up at the rate of some 10% per annum, it may have been natural to think that this was fast enough, and it is always easier, and hence a temptation, to assess and collect less than the full amount. But the public interest is thereby defrauded, and where, as recently in Arden, a Leaseholders' Protective Association is formed, which promotes the idea of no further increment of rents, it becomes a case of selfishness *versus* public spirit, unless indeed there is a sincere misunderstanding.

The issue has now been squarely joined, and interesting developments may be expected.

The trustees of Arden hold the title to the land and represent the community before the law. They pay all the State and local taxes and the expenses of the trust, and then turn the balance over to the community, which elects three townsmen and seven assessors by the Hare-Spence system, a clerk and an accountant. The money so turned over is to be applied "to such common uses, desired by a majority of the residents, as, in the judgment of the trustees, are properly public, in that they cannot be left to individuals without giving one an advantage over others." The townsmen have authority, subject to the control by the general meetings, and serve until their successors are chosen, the election being always for the full board, the same being true of the assessors. Thus in the part administered by the townsmen, Arden exemplifies a thoroughly representative yet democratic system.

The following claims made in the prospectus seem not excessive:

"Arden Village has a land system recognizing the common right of all to the use of the earth.

"Has a tax system which does not fine labor and thrift or encourage land speculation and monopoly.

"Has a scientific plan of assessment based upon the Somers System, with publication of assessments.

"Has had equal suffrage since its foundation—not only woman suffrage but minor suffrage.

"Is the first community in the United States to elect officers by Proportional Representation.

"Is the first community in the United States to establish the Raiffeisen banking system, based on character, not 'collateral.'

"Has never issued bonds, granted an exclusive privilege, or had a public debt, except for a part of the original purchase price of the land.

"Acts on a definitely stated principle as to the functions of government and the rights of individuals, that the government should do nothing which an individual can do without the power of government."

The village has an organic school, conducted by Mrs. Cora Potter on the model of the school at Fairhope; and a club, divided

into ten guilds, representing the activities of the village, in which Esperanto, music, camp-fires, lectures, Shakespearean plays in the open-air theatre, pageants, and athletics are prominent, while for occupations, growing mushrooms, making leaded glass, furniture, articles of gold and silver and iron are specialties. In artistic quality everywhere visible Arden, under the inspiration of Price and the two Stephens, father and son, has attained a special charm to which few are insensible.

Arden has been supplied for about two years with private water-works, barely the expenses have been paid and there is no exclusive franchise.

Arden is preponderantly residential, and an enclave where four-fifths of the people make their living outside bears too strong an impress of the outer world to be thoroughly characteristic of the Single Tax.

The officers of Arden are: Trustees: William L. Price, Katherine F. Ross, and Frank Stephens. Townsmen: Frank B. Downs, Harry Hoeffler and Robert P. Woolery. Clerk, Cora L. Potter. Accountant, Earl Broadbent.

The following figures show the recent growth of Arden; the earlier figures are unobtainable. The lowering of the net rent in the last three years is due to the payment each year of \$650 on the mortgage held by Mrs. Fels.

*YEAR	GROSS RENT	Per Cent. of Increase	NET RENT	Per Cent. of In- crease or Decrease
1911	\$908		\$703	
1912	1,632	80	1,331	83
1913	1,834	12	852	- 50
1914	1,933	5	862	1
1915	2,213	15	1,061	23
1916	2,561	16	1,509	42

Average Increase

26%

20%

*Fiscal year ends March 31.

TAHANTO

The Single Tax principle was introduced into Massachusetts on June 9, 1909, by the lease of two lots of land in Harvard by the

owner to Ellen Mongovin for the economic rent. To the two lots were added others until on April 15, 1912, the land in Harvard under the Single Tax stood at 166 acres, with rent of \$575 from eight tenants. The land was then made over to Lewis Jerome Johnson, William L. Price and Fiske Warren, as trustees of the enclave of Tahanto.

In system Tahanto much resembles Arden, but hitherto the trustees have had the whole responsibility, the deed of trust providing that the community cannot be organized until there are ten lessees signing the constitution. In October, 1915, there were still only nine. In the following points, among others, Tahanto differs from Arden: The trustees have power to acquire additional land and to pay for it by an obligation constituting a charge upon the rent of the piece acquired or upon the general rent of the enclave. This provision has been liberally made use of, hence the rapid growth in area, but hence also the small net rent. The usual agreement is to pay in instalments during 100 years. Arden pays the taxes on improvements direct. Tahanto, like Fairhope, pays in the form of a refund to the lessees. Tahanto has a provision, not yet put to use, under which, upon approval of the community, the payment of rent of land under forests can be suspended until the wood is cut, intending thus to make forestry practicable by the man of ordinary means.

Tahanto is on the shore of a lake of some 500 acres, and has an altitude varying from 320 to 600 feet. About one-half of the lessees use it only for residence, usually in the summer, while the other half make their livelihood on the premises.

The land of Tahanto is all under lease, but no increment of rent has yet been made, the trustees preferring to leave this matter to the representative board to be elected as soon as the enclave shall be organized. At present rents range from \$2.00 to \$30 per acre.

Tahanto's chief crop is apples, but the experiment is too young for much to be said of its achievements. The prospects are fair, and it has the advantage of a strong contingent from Harvard University among its residents.

Officers: Trustees, Phillips Mason, William L. Price and Fiske Warren.

The following table shows the growth of Tahanto:

* YEAR	TOTAL ACRES	TOTAL HOUSES	GROSS RENT	Per Cent. of Increase	NET RENT	Per Cent. of In- crease or Decrease
1909	1	1	\$ 10		\$ 4	
1910	5	3	66	560	33	725
1911	15	5	152	130	106	221
1912	15	6	180	18	180	70
1913	166	9	633	252	633	252
1914	490	12	753	36	385	-39
1915	514	13	1,737	130	321	-16
1916		14	2,553	47	741	57
Average Increase				168%		181%

*Fiscal year ends March 31.

HALIDON

The land of Halidon comprises 165 acres, of which 120 served as the foundation for the Trust of Halidon, which was formed July 18, 1911, while 45 were added Oct. 24, 1913. The western boundary lies within a mile of the paper factory, post office, railway, and trolley of the village called Cumberland Mills, in the City of Westbrook, while the eastern lies within about the same distance from the trolley at Riverton, in the district of Portland called Deering, five miles from the heart of the city.

Halidon consists of a low plateau, sixty feet above the Presumpscot River.

The original trustees were William Price, Frank Stephens and Fiske Warren. The system resembles Tahanto and, numerous persons being interested at the beginning, through the efforts of Miss Lillian Quinby, plots were freely taken even by those not intending to build, and Halidon was enabled to organize itself as a community in the autumn of 1912. The three members of the governing council, called representers, were elected by the Hare-Spence system of proportional representation, which has been in use ever since, each election being for the whole board. Both sexes, down to 15 years of age, have the ballot, Halidon differing in this respect from Arden, where there is no limit of

age. The council has the right to appoint the village clerk, the treasurer (subject to confirmation by the meeting), and any other officers. All its acts are reviewable by the village-meeting, which can also elect a new council whenever it desires.

The community, which consists chiefly of persons in the paper mill of S. D. Warren & Co., is still small, only ten acres being under lease, but the growth is satisfactory and the prospects are good. Hitherto it has raised little or nothing for the market, agriculture being pursued as subsidiary to each household. The rents range from \$6.00 to \$13.00 an acre.

In two respects Arden is less democratic than Tahanto and Halidon. To amend the deed of trust Arden needs the consent of every lessee; in the others, a majority of members. To confirm the appointment of a new trustee, nominated by the remaining board, there is needed in Arden the consent of a majority of the residents; in the others, a majority of those members present at a meeting.

A feature much more marked in Halidon than in the other enclaves is the number of persons showing their good will by taking lots which they do not intend to develop; by attending the monthly meetings; and even by systematic and helpful work. Undeveloped lots number fifteen against twelve developed, and there is no reason to suppose that any one of them is held for speculation.

Officers—Trustees: William L. Price, Lois Warren Shaw and Fiske Warren. Council: William Banks, Marion Weston Cottle and Edward E. Keedy. Clerk, George H. Chapman. Treasurer, Edward E. Keedy.

The following table shows the growth of Halidon:

* YEAR	TOTAL ACRES	TOTAL HOUSES	GROSS RENT	Per Cent. of Increase or Decrease	NET RENT	Per Cent. of Increase or Decrease
1912	117	4	\$ 43		\$ 42	
1913	117	7	36	-19	36	-19
1914	172	9	203	464	128	255
1915	172	10	285	41	115	-10
1916	172	11	333	14	74	-36
Average Increase				125%		48%

*Fiscal year ends March 31.

FREE ACRES

Free acres is a Single Tax association of forty families, five miles west of Summit, N. J. Seven years ago it acquired seventy acres of fine, rolling woodland, as well as good agricultural soil, and an old farmhouse now adapted for an inn. This purchase was for a colony of persons, whose aim as set forth in the constitution is "to demonstrate the practicability of the Single Tax system, and give the resident greater personal and economic freedom than is possible under the more conventional forms of government." Mr. Bolton Hall gave these seventy acres to the Free Acres Association, and lots were rented to tenants on the perpetual lease plan; that is, no purchase price is paid by the colonists, only the annual rent of the bare land, fixed by their own elected assessor.

The rent of any plot of land—small or large, as desired by each family—is literally paid to one's self, since all monies, after State and local taxes are paid, are used in making surveys, roads, procuring water and lighting systems and so on, thereby benefiting the whole community, and permitting each person to see just what is done with the money he turns in as land rent. No land is sold, and the present rental is about \$18 an acre annually. Most of the colonists take an acre or less. The rental value of the land, which has increased from year to year as improvements were made, was originally fixed at about \$3.50 for a plot of 10,000 square feet, or four full city lots.

A few of the houses that occupy the lots are built for permanent use, but most of them are summer bungalows. The old farmhouse has been renovated and is used as a clubhouse and for a place in which to give dances and hold recreative and public meetings. Sunday afternoons, in its big living room, a "gemote" is held, attended by the members, when various persons—some of them visitors, others members of the association—give talks on such themes as patriotism, prohibition, temperance, education and the women's movement, which are usually followed by a general discussion. There is a public meeting every month where finances, good roads and the public good are talked over, and reports of the various committees on these questions heard.

For social enjoyment there is a Free Acres Folk's Guild social meeting every week, which brings people together and helps them to understand one another's point of view.

Fifteen acres have been laid out in ball grounds and tennis courts, and a delightfully old-fashioned "village green." There are campfires, and an open air theatre where plays are given by both the children's and the grown-ups' dramatic societies.

The colony elects its own officers, a town clerk, a position filled at present by a woman, an assessor and a treasurer. The business is carried on by these officers, who are members of the association, but upon the petition of 10 per cent. of the other members, any act of any officers or any measure proposed, may be submitted to a vote of all the members. The rights of the people are thus safeguarded by the initiative, referendum and recall. When the work of adjusting the rents, which is performed by an assessor, is finished, every lessee is furnished with a list showing the ground rents, and a time is appointed within which complaints are received from any who feel so inclined.

If any complaint remains unadjusted, the valuation of the land is subject to a referendum of the members. Under this system no one takes and holds more land than he can use, since it does not pay him to do so, and would be undermining the ethical foundation of the Single Tax philosophy that "all men have equal right to the use of the earth."—F. W.

HISTORICAL—FOREIGN

CANADA—ONTARIO

The Single Tax movement in Ontario dates from the formation of an Anti-Poverty Society in Toronto in 1887. The membership of this early society deserves more than passing notice, for many arose to distinction in later years. They were Lieutenant Robert Cartwright, son of Sir Richard Cartwright, formerly Finance Minister of the Dominion of Canada, Mr. McNab, former police magistrate of Toronto, assistant manager in a financial institution, R. W. Doan, the head master of one of the public schools, Stewart Lyon, subsequently editor-in-chief of the *Toronto Globe*, Samuel T. Wood, who for years has contributed, as one of the editors, the special articles on natural history in the *Toronto Globe*, Alfred Jury, who for some years has been Emigration Agent for Canada at Liverpool, England. There were others who have since become known for indefatigable work in the movement, among whom was W. A. Douglass.

A declaration of principles was issued and distributed announcing to the world what they believed. It stated that the land was not a product of labor, but furnished by the Creator for the use of mankind; that the value of the land which becomes so manifest in the large cities is due, not to anything the land owner does, but to the presence of population, and that land is an indispensable condition of existence. After pointing out the defects of the present method of land holding, it winds up with recommending such a change in the terms of all further sales of public lands, that any value that accrues to such land, over and above the value of the improvements, shall be reserved for public purposes.

The latter clause was less than what was aimed at, but it was framed in that tentative manner, so as to appear to the public

very fair so far as it went, and not likely to arouse prejudice in the beginning.

The Single Taxers of Ontario continued their propaganda for many years, but it was not until January, 1905, that an opportunity was offered to test the effect of these long years of preaching and teaching. In the Toronto election that year this question was submitted: "Are you in favor of an amendment to the Assessment Act, so as to remove \$700 from the assessment of every dwelling?" The vote in that case was 15,897 yea, 8,219 nay, a majority of 7,687, nearly two to one. Now, it was thought the Council will place a bill before the Legislature to give effect to this vote.

But when the necessary resolution was brought before the Council, one of the members, Alderman Frank S. Spence, the foremost temperance advocate in the country, and a very able public speaker, made it his special business to fight this resolution and it was defeated.

When the next election came on, Controller Spence was one of the candidates for the mayoralty. The Tax Reformers, principally through the efforts of Mr. Alan C. Thompson, arranged for a special edition of the *Single Taxer*, of which they distributed 40,000 copies each week for three weeks preceding the election. The result was that Mr. Spence was invited to stay at home. He subsequently stated in public that his defeat was largely owing to the aggressive activity of a comparatively small organization.

Other campaigns for individual members of the local parliament have been fought by Single Taxers. Arthur H. Roebuck came dangerously near being elected in one of these contests. In July, 1914, Mr. A. B. Farmer was a nominee for the provincial parliament, and while failing of election, received a much larger vote than the former Liberal candidate, though Mr. Farmer's campaign was made on a straight-out Single Tax issue.

Numerous deputations from Single Tax bodies have waited upon the late Sir James Whitney, the late Premier of Ontario Province. Sir James stood as a stone wall against any suggestions of tax reform, and his administration continued hostile.

Ontario and Toronto have active Single Tax organizations and a monthly organ, the *Square Deal*. The *Toronto Globe* is friendly to the movement as is the *Ottawa Citizen*, whose proprietors, W. M. Southam and brother, are strong supporters of the Single Tax.

THE SINGLE TAX LIMITED IN WESTERN CANADA

MANITOBA

The Province of Manitoba was carved out of an enormous area belonging to the Hudson's Bay Company. That area consisted of the territory now known as the Prairie Provinces and much besides. The ownership, being a direct grant from Charles II to a favorite cousin, Prince Rupert, and seventeen others, was as valid as it is possible to make any land title by means of a grant or deed. To nullify a title so patent would appear to many men like confiscation of a most arbitrary character. Yet that was the fate of the Hudson's Bay Company's title to most of its land in the year 1870. After being in legal possession of this land for two centuries the Company was forced by an act of government to relinquish its hold on all but one-twentieth part of its formerly private domain, and thus yield to the highest law of eminent (public) domain.

So small was the land allotted to the new Province that, until its recent enlargement, it was nicknamed the Postage Stamp Province. Although adjoining the western boundary of Ontario it was more than a thousand miles distant from the inhabited portion of that Province, and so became an isolated portion of the newly formed Canadian Dominion. A railway intended to unite these two widely separated portions resulted in an enormous grant of land to the Canadian Pacific Railway Company, which again robbed the people of much of the recently emancipated land; and in addition took the right of taxing that land away from the new Province—a right, by the way, which it had not been denied in the case of the Hudson's Bay Company.

The former owned every alternate section, checker board fashion, for twenty miles on each side of its right-of-way; the latter owned two sections in every township. Absentee companies and individuals, the Selkirk Highlanders, the French Half-Breeds, and so forth, owned other portions.

In these and other ways the necessity of curbing land speculation and monopoly was forcibly brought to the attention of the legislators of the newly organized Province of Manitoba, and they seem to have lost no time in endeavoring, as far as lay within their powers, and as far as their knowledge of proper methods extended, to check this invidious invasion of the rights of the settlers to the land of the Province.

On the eighteenth day of February, 1873, the Hon. H. J. Clarke proposed in the Legislative Assembly that a tax should be imposed on wild land belonging to absentee landholders, and the Governor recommended such a measure for approval to the Secretary of State for the Provinces. It was further announced that a general tax should be levied upon all land speculators holding large areas of vacant land. These being special taxes they could not be made to apply to the Hudson's Bay Company, according to their agreement when their land was taken by the Dominion.

The injustice of land monopoly seems to have been keenly felt, and the remedy of land taxation clearly seen at that early date in Manitoba. With the increase in local autonomy the inevitable consequence was, therefore, to continue the application of that remedy in larger measure as the years passed. When the teachings of Henry George began to be heard their echo was a welcome sound in the ears of the pioneers of Manitoba.

A young journalist¹ had been reading some of Mr. George's articles on the land question in a paper² which came to his desk from far away San Francisco. He suggested to a newly formed government (the Greenway) the feasibility of making the land tax general instead of special for the purposes of the rural municipalities in lieu of taxes on the farmers' stock and improvements. This suggestion was adopted, and an act was passed exempting improvements on farms up to the value of one thousand dollars. It was later increased to fifteen hundred dollars, and has recently been extended to all improvements. In fact, since the first

¹The late W. W. Buchanan.

²Most likely *The Evening Post*. This is recorded from recollection of the verbal statements of the late Mr. Buchanan.

adoption of this principle farm improvements have hardly been assessed at all for municipal purposes.

As the law now stands it ordains that, "lands improved for farming, stock raising or gardening purposes shall be assessed at the same value as such lands would be assessed if unimproved . . . the ordinary farm residences and buildings upon any piece of land shall be considered improvements for farming purposes within the meaning of this section."¹

A further step in the exemption of improvements has been taken by permitting the municipalities to reduce the assessments on industries other than farming and gardening.

Although these land value taxes have been very low—not nearly high enough to have an appreciable effect on vacant land holding—yet it can be safely said that few Manitoba farmers would care to exchange their lots with those of the farmers south of the boundary line in North Dakota where all improvements are taxed; and it is a fact that many of the latter have been induced to move across the border in order to escape from that burden.

The towns and villages of this Province have the regular real estate tax on land and improvements with a permission to assess at less than actual value.

In the cities the tendency is to assess buildings lower than the land. In Winnipeg, the largest city of the Province and Western Canada, the assessment on buildings has been reduced one-third since 1909.

The years following the reduced assessment on buildings in Winnipeg saw an enormous increase in the building industry. In 1908 building permits had been issued for \$5,516,700 worth of buildings. They were increased to \$9,226,825 in 1910, \$17,716,750 in 1911, and to \$20,563,750 in 1912; when Winnipeg along with the whole of Canada began to experience the depression which has lasted up to the present. All that increase in Winnipeg's growth, it is fair to say, cannot be attributed to the local exemption. The free land of the new Provinces to the west

¹Citation from Prof. Haig's report prepared for the Committee on Taxation of the City of New York. From George V, c32 s. I. (28). See appendix in this work for reference to the Haig Report.

of Manitoba had been attracting a constantly increasing stream of immigration, and Winnipeg as the chief distributing center of the prairie Provinces was bound to keep pace with that movement. Much of the present depression is of course attributable to the European War.

SASKATCHEWAN

A great trek to Western Canada commenced shortly after the beginning of this century. Manitoba had no longer the best homesteads to offer, and the immigrant population was obliged to go further afield. The adjoining land to the west and northwest was therefore next in order. This territory had become so populated that in 1905 it was organized into two Provinces. On September first of that year the Saskatchewan and Alberta Act was passed into law by the Dominion government.

Saskatchewan being nearest to Manitoba had received the first influx of immigration from the east as well as some from the south. The City of Regina, which had been the capital of the North-West Territories, now became the capital of Saskatchewan.

The North-West Territories had already passed an Act granting local option in taxation which permitted two-thirds of the councillors, or one-half of the taxpayers to exempt improvements from taxation.

Since the Province of Saskatchewan has been organized the following steps have been taken:

(1) In 1907 the legislature of Saskatchewan passed an Act which levied a tax of one per cent. upon all land not included within the limit of a town or village school district; the funds so collected to be used for school purposes.

(2) In the rural municipalities the revenue was at first derived from an acreage tax on land alone. The rate was five and one-sevenths of a cent per acre. In 1914 this was changed to a land value tax in the following terms:

"Land shall be assessed at its actual cost value exclusive of any increase in such value caused by the erection of any building thereon or by any other expenditure of labor or capital."¹

¹S. 252. Rural Municipalities Act.

(3) An Act passed in 1914 levies a surtax on all land belonging to people not residing upon the land. This is said to have the desired effect of bringing much land under cultivation.

(4) A Village Act was passed at the 1908-9 session permitting local option in taxation, which directs that:

"If two-thirds of the total number of resident electors in any village petition the Council therefor, the Council may by law provide that assessment in the village shall after a date to be fixed therein be limited to an assessment based upon actual cash value of all lands in the village exclusive of improvements thereon."

Although the proportion of petitioners is absurdly high this Act is said to have produced the effect of placing one-fourth of the villages under the exclusive system of land value taxation, while sixty per cent. is the highest rate at which improvements are assessed in the remaining three-fourths of the villages.

(5) An unearned increment tax is levied for provincial purposes.

(6) The towns have been granted the right of gradually reducing the tax on buildings provided the reduction is not greater than fifteen per cent. in each year over the previous year. One-fourth of the towns have taken advantage of this right.

(7) The cities are not permitted to assess improvements at a greater rate than sixty per cent. of their value, according to an Act passed at the 1908-9 session of the legislature.

(8) At the 1910-11 session an Act was passed permitting the cities to reduce the assessment of improvements at the rate of fifteen per cent. per annum, with the resulting effect that they have been reducing those assessments as fast as may be expected under a grant so palpably conservative of vested interests, and under civic administrations said to be no less so.

That these various taxation checks upon the business of holding land idle and the accompanying emancipation of wealth and labor have had their effect is seen by their constantly increasing application, as well as by the phenomenal rush of population to the province during its brief existence. Where only two decades ago there was nothing but the wild prairie today there are prosperous farms and populous cities.

But great though the progress of Saskatchewan has been that of Alberta has been much greater still, thanks to the latter's adoption of more nearly correct systems of land value taxation.

ALBERTA

Edmonton is the capital of Alberta. It is located on the site of an old trading post of the two monopolies, the Hudson's Bay and the North-West Companies. The former owned a tract of three thousand acres around which Edmonton had developed, but which the company had obstinately refused to open for development, to the great chagrin and mortification of the citizens.

Another grievance, the wrong perpetrated by the Canadian Pacific Railway Company against Edmonton by ignoring that town in the laying of its line and by establishing a rival to it on the other side of the river, had further served to drive the lesson of the arbitrariness of monopolistic powers home to the people of Edmonton.

In the first charter, which they prepared upon the occasion of its incorporation in 1904—a year before Alberta became a Province—care was taken to provide means for curbing monopolies of all kinds.

The new charter provided for a general tax on land values to the exclusion of improvements, but modified by business and income taxes. These last two have since been abandoned, leaving the land value tax to alone provide the necessary revenue.

The well nigh immediate effect of this was that the Hudson's Bay Company got to work breaking up its age-old Reserve and the new city commenced a career of what may almost be called unprecedented prosperity. This was attested to by the rapidly increasing population, which was at first forced to live in tents, as houses could not be built quickly enough. The building industry therefore became highly profitable. Its increase from year to year was rapid as may be judged from the following record during the first two years after the incorporation of the city:

1905—\$750,000; 1906—\$1,868,069; 1907 to August 28th—\$2,027,375.

In 1908 when the rest of Canada was in the throes of an industrial depression Edmonton's prosperity continued to increase.

What more is needed to prove the wisdom of Edmonton's remedies against industrial stagnation—small though its application is from the view-point of the Single Taxer who rightly wishes to have the entire value of land taken for public purposes.

Edmonton's success was quickly observed by the neighboring cities and towns, and they soon began to take steps in the same direction. Strathcona, Edmonton's old rival across the river (which the C. P. R. had now bridged in self-defense against the Canadian Northern Railway), was now in self-defense obliged to copy Edmonton's system of taxation. Calgary, the largest city in the Province, began to exempt improvements from taxation in a gradual way; and has been reducing them year by year until they are at the present time assessed at 25 per cent. of their value; land forming ninety per cent. of the tax base.

The remaining two cities of Alberta, Medicine Hat and Lethbridge have followed Edmonton's example in entirely exempting improvements and business and in levying their taxes almost entirely upon land values.

The effect of these taxes was generally considered to be excellent during the most prosperous period, and while it may be regarded bad by speculators at the present time it may be confidently expected that these same land value taxes will cause an earlier return of prosperity by compelling them to place their land at the disposal of labor and capital.

So much for the cities. But the towns, villages, and municipalities have also been brought under the single land value tax system, thanks largely to the broad statesmanship of a constructively democratic government.

On the 12th day of December, 1911, Premier Sifton introduced a bill for the progressive adoption of a municipal Single Tax in all existing municipalities and an immediate adoption of it in those thereafter organized.

(1) A Town Act which compelled all towns to exempt all buildings and personal property and levy municipal and school taxes upon land "exclusive of the value of any buildings thereon or any

other increase in the value thereof caused by any other expenditure of labor or capital thereon."

The act limits the rate of taxation to "twenty mills on the dollar, exclusive of the debenture rates and local improvement rates."

But owing to a large amount of untaxable lands due to railway and other exemptions in some of the towns and municipalities the twenty mill rate proved too low to provide the necessary revenue. An Act has therefore been passed permitting such towns to levy a tax on business and incomes; but up to the present no news has come to hand as to its application, neither is it likely, as it will hardly be tolerated during the present depression.

(2) A Village Act which ordains that "all village taxes shall be levied equally upon all rateable land in the village according to the assessed value of such land."

(3) A Rural Municipalities Act which made the single land-value tax mandatory in the rural municipalities.

Mr. John Perrie, deputy minister of municipal affairs, is quoted as saying that "there would be a storm" of protest "if any change were made" in the tax system of the rural municipalities.

BRITISH COLUMBIA

British Columbia became a Province during the rush of gold seekers from California to the Fraser River fields. Gold had been discovered on the Fraser in 1857 and to preserve order a government had been established in 1858. Vancouver Island, which had been granted to the Hudson's Bay Company in 1849 and was still under the company's domination in 1858, did not join the mainland colony until at the end of the gold rush when a depression had commenced and forced the two colonies to unite. In 1871 British Columbia joined the Canadian federation. Since then the following tax reforms have been enacted.

(1) In 1874 the first step was taken in this Province to exempt improvements entirely from taxation. It was in Nanaimo, the chief coaling station on the Pacific, which is located on the eastern coast of Vancouver Island. This provision was made in a

special charter granted to the town, and it has been continuously in operation up to the present.

(2) A general law of the Province forbids municipalities to tax more than half the value of improvements for local purposes, and permits that they be entirely exempted.¹

(3) A wild land tax permitting municipalities to tax land "on which there shall be no improvements to the value when assessed of ten dollars per acre."² Such land may be taxed not to exceed five per cent. of its assessed value.

(In explanation of the term municipality in British Columbia it may be said that there are two kinds, city and district. More than one-half are city municipalities. It is also well to bear in mind that owing to its size, its comparatively recent settlement, its distance from eastern Canada, and its mountainous character, a large portion of the Province is still unorganized).

Nearly one-half of the city municipalities—fifteen out of thirty-three—have availed themselves of those laws by exempting all improvements from taxation, while the remaining eighteen tax improvements in degrees varying from twenty-five to fifty per cent., and all but four of the district municipalities entirely exempt improvements.

Victoria, the capital of the Province, is beautifully located on the southern part of Vancouver Island, while Vancouver, the largest city in the Province, is almost as charmingly situated on the mainland.

Vancouver, owing to its size, has become most widely known for its Single Tax system. It operates under a charter granted in 1886—the year after the completion of the C. P. R. to the city. This charter is amended each year by the city council on application to the legislative assembly. The tax system of the city is passed upon every year by the council.

The following progressive measures have been taken by Vancouver, viz:

(1) In 1891 an amendment was granted to the city charter which provides for a separate assessment of land and improve-

¹Citation from Prof. Haig's report, p. 169.

²Ibid, p. 170.

ments and permits the council to "exempt from taxation, wholly or in part, any improvements, erections and other buildings erected on any land within the city, notwithstanding that they may be part of the real estate."¹

(2) This was taken advantage of by the council in 1895 reducing the assessment on buildings to fifty per cent. of their value.

(3) In 1906 the assessment was reduced to twenty-five per cent.

(4) In 1910 improvements were entirely exempt. (The mayor of the city at that time, Mr. L. D. Taylor, is an ardent advocate, not merely of the "Vancouver System," as it has since been called, but of the full Single Tax as advocated by Henry George).

(5) Successive steps have been taken each year by the city council since 1910 re-enacting the exemption. And this year (1916) the council will ask the legislature to make it permanent. This request passed without a single dissenting voice. (It should, as Mayor Taylor aptly remarks, be sufficient evidence to counteract any reports that Vancouver has suffered because of its Single Tax methods).

Although land values furnish the largest portion of the city revenue, it is well to add, some is drawn from other sources, such as "police court fines, percentages of street car earnings, liquor licenses, rental of street ends on water front, and sundry licenses such as theaters, second-hand stores and such businesses as require police provision." This yields a total revenue of approximately \$300,000. The balance of its revenue, amounting to \$3,200,000, is raised from the land value tax.

Since the adoption of these measures Vancouver has enjoyed a constantly increasing material prosperity up to the present depression. The depression of 1908 left it unscathed. But no Single Taxer will expect such a small application of that principle to prevent a depression at some period or other.²

The building industry is generally used as a gauge in estimating the comparative growth and prosperity of cities. It shows in

¹Professor Haig's report page 187.

²In his report for the Taxation Commission of New York, Professor Haig exaggerates this depression.

the case of Vancouver a development most phenomenal. From a total cost of buildings erected in the year 1902 amounting to \$833,607 they continued to increase annually until in 1912 buildings were erected to the amount of \$19,374,542. So great was the rush of population to the city that the builders found difficulty in filling the demand for houses, and as a result, rents became exorbitant.

The interesting fact is recorded in the *Western Canada Contractor*, 1912, that a reward of \$100 was offered by advertisement in the *Vancouver World*, September 27, 1911: "For information that would place the advertiser in possession of a dwelling which he was willing to lease if necessary for a term of years." This surely is "a unique distinction," as the writer states. Houses were occupied before the plaster had dried in them; suites and tenements were tenanted before the buildings were completed. Buildings only a few years old were scrapped to make room for larger and better ones.

Such was the excess of the demand over the supply in 1911, while the people were flocking to the city from all directions—eastern Canada, the Prairies, Puget Sound Points and California. That condition could not be expected to continue for long, ere the supply overtook the demand, with a resulting fall in rents. Yet even at the present time rents are still half as high as they were in the abnormal season of 1912. This is high when compared with cities in the East.

Victoria has followed Vancouver's example and abolished all taxation on improvements. It has been done by a gradual process of lowering the assessment or the tax rate alternately, or both at once. The process commenced in 1891, when the rate on land was 15 mills on the dollar while the improvements were only taxed half that rate, or $7\frac{1}{2}$ mills. In 1911, taxes on improvements were entirely abolished.

The industrial effect of this exemption may be judged from a statement which appeared in the *Daily Colonist*, of Victoria, on February 26, 1913, to the effect that "the workingmen of Victoria are all strong advocates of the exemption of improvements from taxation."

The Provincial Government, too, has subscribed to and practically adopted the principles of natural taxation.

CONCLUSION

From the preceding sketch of the growth of the movement of land and land value taxation in western Canada the following conclusions seem to be warranted.

(1) It commenced with the control of the early colonists over their governments (which had formerly been monopolized by an official class).

(2) It was based on the principle of the right of the governments to determine the source or sources from which they secured their revenue, and which is one of the basic principles of British freedom.

(3) It was introduced through the economic necessity of releasing the land for new settlers and the demand for improvements by the earlier ones (as evidenced by the "wild land" or "surtaxes" which commenced in the East and have been copied in most of the western Provinces).

(4) It has been developed partly through the satisfaction with which it has worked, partly through its own momentum, partly through the growth of democratic thought and the spread of public ownership—and of theoretical Single Tax doctrines.

(5) As an essential factor, along with the free homestead lands, in bringing about the settlement of Western Canada it must be placed in the front rank.

(6) It has emancipated the building industry in the cities to the extent that it has been applied.

(7) It has made land speculation and idle-land holding more difficult.

(8) It tided the cities of Vancouver and Edmonton over the industrial depression of 1908.

(9) It is regarded with favor by the majority of all producers of wealth whether employers or employees and particularly by tax officials.

(10) It has simplified the assessment and the collection of taxes.—P. M. C.

GREAT BRITAIN

We talk of the movement for the taxation of land values and essay to gauge its status and progress in this or that country, but we set out realizing that what constitutes a movement is not merely a collection of the men and women actively engaged as its propagandists, but rather the general and widely-distributed sympathy with or belief in the principles it stands for. Its growth and its success must be judged by its practical achievements in public affairs and by the evidence of popular support, though of course these are gained by the efforts of its leagues and adherents. We desire not so much a history of what the teachers have taught as of what the listeners have learned. We propose therefore to deal more particularly with the results of the propaganda in Britain and with its influence upon parliamentary and municipal politics, and to follow that with a brief review of the way in which the propaganda itself has been extended.

It is not necessary to explain to the readers of the Single Tax Year Book what objects British Single Taxers have in view. They are the common objects of Single Taxers the world over, but the movement in different countries starts from very different economic and social conditions. In Britain taxation reform goes forward from the basis of free trade in exchange, an advantage (gravely menaced, no doubt, by the present reaction) which most other countries do not possess. On the other hand, the United States and most British colonies can go forward to the taxation of land values alone from a system of property taxation which already places land value on the assessment for both local and State purposes. They have greater resistance to overcome in the removal of tariffs but are much better situated in forcing the pace for transferring taxes from improvements to land values. In Britain, certain land since 1910 is subject to the "undeveloped land duty" of $\frac{1}{2}$ d in the £ of selling value, but that tax is made almost a dead letter by numerous restrictions and exemptions.

Apart from that particular and exceptional levy, the universal practice is to value land and the improvements upon it according to the annual rent a tenant would give for them in their existing condition. Vacant land and empty properties escape all contribution and the "speculator" is free of all public burdens. A condition of things exists in Britain which gives land monopoly greater power for evil than it can exert in probably any other part of the world, and the land reformer has a correspondingly harder uphill fight.

Two other points should be mentioned by way of introduction. In Britain we use the word "rate" in respect of local taxation and the word "tax" in respect of national taxation. The municipality imposes "rates," and the government imposes "taxes;" the distinction is made between the "rating of land values" and the "taxation of land values" according as the reform is discussed from the local or from the national point of view. Secondly, the term "Single Tax" has, it seems, a more specific meaning among British reformers than on the American continent. In the United States and Canada the term is not only applied to the ultimate objects of Single Taxers but is often used in the political sense to describe the partial or even purely local adoption of the principle, cities such as Vancouver and Edmonton, for instance, having been referred to as "Single Tax communities." This difference in the use of terms may explain why Single Taxers in America are sometimes surprised at the expressed hostility to the "Single Tax" of some British politicians who are known to favor a much more thorough application of the principle than has yet been adopted in any part of the American continent. In their own words, these politicians (many of them quite radical reformers) are opposed to the "twenty shillings in the pound" policy, but would readily support a large instalment of the taxation and rating of land values.

PARLIAMENTARY AND MUNICIPAL PROGRESS

COMMISSION ON THE HOUSING OF THE WORKING CLASSES

The principle of the taxation of land values first found expression in a parliamentary document in the report of the "Royal

Commission on the Housing of the Working Classes" published in 1885. The famous passage, which was written by Lord Sheffield, has since been repeatedly quoted, and it is worth noticing that the late King Edward VII., when Prince of Wales, was a member of the Commission and subscribed to its recommendations. The Report said in regard to rating:

"At present, land available for building in the neighborhood of our populous centers, though its capital value is very great, is probably producing a small yearly return until it is let for building. The owners of this land are rated, not in relation to the real value, but to the actual income. They can thus afford to keep their land out of the market, and to part with only small quantities, so as to raise the price beyond the natural monopoly price which the land would command by its advantages of position. Meantime, the general expenditure of the town on improvements is increasing the value of their property. If this land were rated at, say, 4 per cent. on its selling value, the owners would have a more direct incentive to part with it to those who are desirous of building, and a two-fold advantage would result to the community. First, all the valuable property would contribute to the rates, and thus the burden on the occupiers would be diminished by the increase in the rateable property. Secondly, the owners of the building land would be forced to offer their land for sale, and thus their competition with one another would bring down the price of building land, and so diminish the tax in the shape of ground rent, or price paid for land which is now levied on urban enterprise by the adjacent landowners—a tax, be it remembered, which is no recompense for any industry or expenditure on their part, but is the natural result of the industry and activity of the townspeople themselves. Your Majesty's Commissioners would recommend that these matters should be included in legislation when the law of rating comes to be dealt with by Parliament."

EARLY RESOLUTIONS MOVED IN PARLIAMENT

From 1885 till 1902 little was said or done in Parliament in connection with the taxation of land values. The subject was discussed only occasionally when, for instance, Mr. A. D. Provand moved his resolution on 8th March, 1895 (toward the close of the short Liberal Administration of 1892-5), to the effect that:

"No system of taxation can be equitable unless it includes the direct assessment of the enhanced value of land due to the increase of population and wealth, and the growth of towns."

The resolution was agreed to without a division.

On 10th February, 1899, Mr. E. Morton moved his amendment to the Queen's Speech expressing the regret of the House of Commons that:

"There is no indication in your Majesty's gracious speech that measures will be submitted to this House dealing with the ownership, tenure, or taxation of land."

The amendment was defeated by 157 to 123.

On 2nd May, 1900, Mr. T. W. Nussey moved a resolution, which was defeated by 140 to 98, to the effect that:

"Having regard to the heavy and increasing burden of local taxation in urban and certain other districts, the House urges upon the Government the necessity of forthwith redressing the undoubted grievances from which many ratepayers suffer."

On 14th May, 1900, Mr. Alfred Billson introduced a Bill which did not proceed beyond the first Reading, providing for the separate assessment of land on 4 per cent. of its capital selling value, and to amend the law relating to parochial assessments in England and Wales.

THE ROYAL COMMISSION ON LOCAL TAXATION

The formal reply from the Conservative ministerial benches to every attempt in those days to raise the question of the taxation of land values was that a Royal Commission had the whole subject under consideration, and members should be content to await its recommendation. This was the Royal Commission appointed on 15th August, 1896, "to inquire into the present system under which taxation is raised for local purposes, and to report whether all kinds of real and personal property contribute equitably to such taxation, and if not, what alterations in the law are desirable in order to secure the result." The First Report of the Commission was published on 18th December, 1898, the Second on 10th January, 1899, and the Final Report on 28th May, 1901. In addition to these reports, numerous separate papers and memoranda were issued independently by members of the Commission, and of these papers the most noteworthy was

the so-called "Minority" or "Separate Report on Urban Rating and Site Values," signed by Lord Balfour of Burleigh, Lord Blair Balfour, Sir Edward Hamilton, Sir George Murray, and Mr. James Stuart.

The chief contribution in the Final Report of the Commissioners to the problem was their recommendation to treat as national the four services of Poor Relief (including the upkeep of Asylums), Police, Education, and Main Roads. All the other various reports were in agreement as to the distinction thus laid down. But the Final Report did not indicate any satisfactory means for providing the necessary revenue for national expenditure on these services nor propose any reform of local taxation. It considered and rejected the idea of a local income tax, and of a local rate on inhabited houses. It had nothing to suggest except that the existing system of subventions from the Exchequer in aid of local rates should be continued and that certain further revenues (increased liquor licenses and inhabited house duty) should be assigned to local authorities. The Final Report of the Majority of the Commission was against both the separate valuation of land and the placing of special rates upon land values. But the separate Minority Report recommended in favor of a special site value rate, small in amount, to fall in part upon the owners of sites and to apply to uncovered land and to unoccupied premises in town areas where there was a desire to adopt the principle.

ENGLISH AND SCOTTISH RATING BILLS

The growth of the sentiment in favor of the local rating of land values received a great impetus from the municipal agitation, which, commencing in Glasgow in 1895, had spread over the whole country and had been joined by as many as 518 local Councils, including Glasgow, London, Manchester, Liverpool, Halifax, Bolton, Aberdeen, Dundee, Sunderland, Bradford, Sheffield, etc., etc. Powers were repeatedly demanded from Parliament which would enable local authorities to impose rates upon land values, and these demands found expression in a number of Bills which were introduced between 1902 and 1905,

some applying only to England and Wales, and others only to Scotland. The English Bills, introduced in 1902 and 1903 by Mr. Chas. P. Trevelyan and Dr. Macnamara respectively, were defeated on the Second Reading by 71 and 13 votes respectively. In 1904 a Bill introduced by Mr. Trevelyan passed the Second Reading by 67 votes, and in 1905 the same Bill passed the Second Reading by 90 votes. None of these Bills was proceeded with. They were simply treated as subjects for Second Reading Debates on the broad principle. It is noteworthy that they were submitted in a Conservative House of Commons with an increasing vote in their favor, and many Conservatives supported the principles at issue. In regard to Scotland, a Bill was introduced in 1903 and another in 1904, neither of which proceeded beyond the First Reading. They dealt only with unoccupied land in Burghs. In 1904 Mr. Caldwell introduced the Land Values Taxation (Scotland) Bill, promoted by the Glasgow Corporation. It did not proceed beyond the First Reading. In 1905 it was reintroduced by Mr. Ainsworth and passed the Second Reading by a majority of 20 votes. In 1905 another Bill for Scotland called the Land Values Assessment Bill was introduced by Mr. Munro Ferguson (now Governor-General of Australia) but it was not proceeded with beyond a First Reading.

THE LIBERAL PARTY PLEDGED TO THE REFORM

The General Election in the beginning of 1906 returned to power a Government which was pledged to the taxation and rating of land values by the repeated declarations not only of the leaders of all shades of opinion, but also by the whole rank and file of the Liberal Party. As far back as 1889 the annual meeting of the National Liberal Federation at Manchester had adopted a resolution which declared among other things that in any reform of the land laws a just and equitable taxation of land values and ground rents was an essential condition. It further affirmed its belief that the abolition of the present duties upon necessary foods such as tea, coffee, and cocoa was demanded in the interests of the people and that the remission of those duties could be effected with due regard to economy by the juster methods of

taxation demanded by the Federation. These reforms were still more emphatically demanded at the annual meeting of the National Liberal Federation in 1891 in the famous Newcastle programme. Since then the numerous speeches and declarations of Liberal politicians, and the leaflets and pamphlets issued by the Liberal Publication Department, bear witness to the place held by the taxation and rating of land values in the counsels of the party.

MUNICIPAL DEPUTATION TO THE NEW GOVERNMENT

Although the proposal for the imposition of a national tax on land values had been as vigorously urged in public as the proposal to base local rates on land values, the question entered the new Parliament in the latter form. The rating of land values was ripe for treatment, for Bills dealing both with England and Scotland had already been discussed in the previous administration. The municipal agitation, moreover, at this time dominated the situation. At the National Conference of Rating Authorities held in Manchester on 22nd November, 1905, at which the Lord Mayor of Manchester presided, it was decided to present a petition to the House of Commons praying for the passing of a Bill dealing with the provision of the separate assessment and rating of land values. A deputation of 150 gentlemen representing 118 municipal bodies, which was received by Mr. Asquith (in the unavoidable absence of Sir Henry Campbell-Bannerman), Mr. James Bryce, and Mr. John Burns, on 26th February, 1906, presented the Petition. The objects of the deputation were stated by Mr. J. H. Whitley, who introduced it, by Lord Provost Bilsland and Ex-Bailie Ferguson of Glasgow, and by the Lord Mayor of Manchester. Mr. Asquith said in reply:

"I have always regarded this movement properly understood as being not a derogation from, but an assertion of the rights of property. It is right and just that the community should reap the benefit of the increased values which are due to its own expenditure and its own growth. I suppose we are all agreed that as a preliminary step there should be a separate assessment (valuation) of site (land) values. We (the Government) desire to have time to carefully consider the best way of giving effect

to the principles I have enunciated. I believe we shall arrive at a more satisfactory and more permanent result if we allow ourselves a little time and patience for the consideration of this problem, than if we were to introduce a comparatively small and piecemeal instalment of the reform which we all desire."

FORMATION OF THE LAND VALUES GROUP

Soon after the Parliament of 1906 assembled a "Land Values Parliamentary Campaign Committee," under the chairmanship of Mr. J. H. Whitley, M. P., was established in order to initiate and promote land values legislation in Parliament and also to make headway with the agitation in the country. Mr. John Paul was appointed Secretary of this Committee, leaving Glasgow in March, 1906, for this post. The Committee quickly grew in numbers, and before Easter in 1906, the "Land Values Group," as it came to be called, counted as many as 280 Members of Parliament. Steps were taken at once to prepare and recommend legislation.

The Group influenced the publication of the Blue-books containing information on the working of taxation on unimproved land, both for municipal and State purposes, in New Zealand, New South Wales, South Australia and Queensland. These Blue-books (Cd. 3191 and Cd. 3890) have since been republished, with papers on Land Taxes and Land Valuation in other countries in Blue-book Cd. 4750, which was issued at the time of the Budget controversy in 1909.

The personnel of the Group includes many worthy and familiar names. J. H. Whitley was its first Chairman, the post which since January, 1910, has been occupied by Charles E. Price. Its guiding spirit in forcing the pace for the 1909 Budget was Josiah C. Wedgwood, and since then his name has figured prominently in the debates and discussions whenever it was possible to state the case for the reform. But it is difficult to distribute the honors among land values men, who are all equally determined to make the fullest use of their position as Members of Parliament. P. Wilson Raffan, who for the last six years has acted as Hon. Secretary and Whip to the Group has also taken a leading part in argument and speech-making on the floor of the House,

as have Chas. P. Trevelyan, James Dundas White, Sir Wm. P. Byles, J. S. Higham, Francis Neilson, E. G. Hemmerde, H. G. Chancellor and R. L. Outhwaite. These names, with Charles E. Price, Josiah C. Wedgwood and P. Wilson Raffan are household words wherever there is knowledge and understanding of what land values taxation means as a social reform.

PROPOSED SCOTTISH LEGISLATION

During the first four months of 1906 the Group centered their attention upon the debate and discussions on the Land Values Taxation (Scotland) Bill, sometimes referred to as the "Glasgow Bill," introduced by Mr. Sutherland as a private measure, and making the same provisions as the Bill which in 1905 had received a Second Reading in the House. It would have given power to the town council of every Burgh to levy a rate not exceeding 2s. in the £ upon the annual value of all land in the Burgh. That annual value was to be calculated at 4 per cent. upon the price as between a willing seller and a willing buyer, exclusive of all buildings, etc., on or connected with the ground. The Bill passed its Second Reading on 23rd March, by a majority of 258, and on 24th April, was remitted to a Select Committee of which the following were the members: Mr. Alexander Ure (Chairman), Mr. Hugh Barry, Mr. A. Dewar, Mr. Findlay, Mr. J. Henderson, Mr. M'Killop, Mr. Mitchell Thompson, Mr. O'Hare, Mr. Remnant, Mr. T. F. Richards, Mr. Sutherland, Mr. Trevelyan, Mr. Dundas White, Mr. McKinnon Wood, and Mr. Younger.

In December, 1906, the Report of the Select Committee on the Land Values Taxation (Scotland) Bill was issued. It recommended that the Bill should not be proceeded with, but that "a measure be introduced making provision for a valuation being made of the land in the Burghs and Counties of Scotland apart from the buildings and improvements upon it, and that no assessment be determined upon until the amount of that valuation is known and considered." The opportunity was taken in the Report to review most fully the whole question of the rating of land values and it contained an uncompromising declaration

in favor of the placing of all local rates on land values, the rates to be paid by all owners (including the "superiors" in receipt of *feu* duties) of rights in land in proportion to the value of these rights. The Select Committee Report proved a campaign document of the utmost value for the promoters of the reform. By Single Taxers it was hailed as a "classic." It was the keynote of a long series of successful public demonstrations organized by the United Committee and the Leagues for the Taxation of Land Values, in which the then Solicitor General for Scotland, Mr. Alexander Ure (Chairman of the Select Committee), afterward Lord Advocate, and now Lord President of the Court of Session in Scotland, took the leading part.

On 13th May, 1907, the Land Values (Scotland) Bill, providing for a valuation of the land, was introduced into the House of Commons as a Government measure by the then Lord Advocate, the Right Hon. Thomas Shaw (now Lord Shaw), and it followed the recommendations of Mr. Ure's Select Committee. The Bill passed the Second Reading by a majority of 194 votes and the Third by a majority of 139. It was rejected by the House of Lords. It was reintroduced into the House of Commons on 19th February, 1908, and passed the Second Reading by a majority of 273 votes. In the House of Lords it was so mutilated as to be nullified in effect. The Government therefore decided to abandon it.

THE BUDGET OF 1909

Definite promises had been given in 1906 that a Valuation Bill for England and Wales would be introduced, but despite agitation on the part of the Group and renewed promises and pledges the Bill, for some reason or other not fully understood, was never tabled.

The 1907 session went by without any sign of the proposed legislation; 1908 brought more promises and a final abandonment, it being announced in October that the Bill would not be introduced.

The supporters of the taxation and rating of land values being thus thwarted in their efforts to secure Valuation, on the one hand for Scotland by the House of Lords, and on the other hand

for England by forces outside the House of Lords, turned to the Finance Bill as a means of placing their principles on the Statute Book. In 1908 a vigorous agitation was prosecuted all over the country for a tax on land values to be embodied in the Budget of 1909, and with it as a matter of course a universal valuation separating the value of land from all the value of improvements on or attached to the land. In Parliament the Land Values Group organized a petition on these lines to the Government, which was signed by 250 Liberal and Labor members and presented to the Government on 24th November, 1908.

On 29th April, 1909, Mr. Lloyd George, then Chancellor of the Exchequer, introduced his historic Budget, upon the provisions of which it is not necessary here to dwell at any length. They are familiar even to those who take but a superficial interest in British politics. The clauses in the Bill most welcomed by land reformers and especially by the advocates of the taxation of land values were those which at last provided the "preliminary step," in the form of a universal valuation throughout the United Kingdom, separating the value of the land from the value of improvements. The "Land Value Duties" (an increment duty of 20 per cent. on increase of land values, a duty of 10 per cent. on the value of reversions, a duty of $\frac{1}{2}$ d. in the £ on the value of urban undeveloped land, and a mineral rights duty of $\frac{1}{2}$ d. in the £) were warmly accepted by many sections of land reformers, but they were never considered by the advocates of the taxation of land values as either an instalment of or equivalent for the straight tax on land values, which had been demanded in their agitation both inside and outside Parliament.

A very able analysis and criticism of the Government proposals and of the unsatisfactory and in many respects objectionable Land Value Duties (which friends of the movement abroad should understand have done the British Single Tax cause anything but a good service) will be found in *Land Values*¹ of July and December, 1909, contributed by Mr. Frederick Verinder, Secretary of the English League for the Taxation of Land Values.

¹*Land Values* is the organ of the British Single Taxers and is published at 20 Tothill Street, London, England.

The landed interests were bitterly opposed to the whole scheme and contested it clause by clause. Their prolonged agitation wrung from the Government a number of concessions, the most important of which was the change in the method of valuation. The original proposals would have compelled owners to declare what they thought was the value of their land, and it is contended with sound argument that if this "owners' valuation" had been retained, the valuers could have carried through their work with much more expedition. Unfortunately the Government gave way on this vital principle and the result has been five years of trouble, expense and delay. Even now the work is incomplete and in a state of much confusion, further obstacles having been placed in the way by decisions in the courts upsetting the valuers' assessments.

During the passage of the Finance Act through the Commons considerable alterations were also made in the Land Value Duties. These are too numerous to mention, but the general effect was a reduction in the taxation the duties aimed to collect. The mineral rights duty was entirely remodelled; it ceased to be a tax on the capital value of minerals, likely to have a stimulating effect in the development of mines, and became merely an extra income tax of 1s. in the £ on mining royalties.

The Budget emerged in its final state from the House of Commons on 2nd November, 1909, after a Third Reading majority of 230 votes. The House of Lords set at nought the long-established financial control of the House of Commons. They rejected the Bill, precipitated not one but two General Elections, brought to an issue the long standing quarrel between the two Houses, and suffered defeat in a drastic curtailment of their own powers.

THE LAND AND TAXATION REFORM MEMORIAL

After the General Election in January, 1910, the Bill was forced through the House of Lords and became Law on 29th April, 1910, exactly one year after its introduction. The Valuation commenced forthwith and the necessary machinery for the reform of local and national taxation being set in motion, the Land Values Group immediately considered the next progressive

step to be taken, by which the Valuation should be used to carry out much-desired and long-delayed reforms. A comprehensive policy was proclaimed which, based upon the land valuation and urging both its early completion and its results being made known to the public, proposed legislation for the local rating of land values, a national tax on land values, the remission of the breakfast-table duties, and the redistribution of local and Imperial taxation so as to do justice as between one district and another and prevent the benefit of the relief to the poorer districts going where it was not intended to go, which had been the net result of the policy of "doles." This programme was formulated in the now well-known Land and Taxation Reform Memorial of the Land Values Group in Parliament.

THE DEPARTMENT COMMITTEE ON LOCAL TAXATION

In April, 1911, a "Departmental Committee on Local Taxation" was appointed, composed of Government officials, and officials of local rating and other authorities, and its terms of reference were "to enquire into the changes which have taken place in the relations between Imperial and Local Taxation since the Report of the Royal Commission on Local Taxation in 1901, to examine the several proposals made in the Reports of that Commission, and to make recommendations on the subject for the consideration of His Majesty's Government with a view to the introduction of legislation at an early date."

The appointment of this Committee was obviously an opportunity to postpone action and to enable more time to be consumed in unnecessary inquiries and reports. But it had its compensations in keeping up discussion and possibly delaying proposals for Exchequer grants in aid of local rates until the land valuation was completed. With the Valuation an accomplished fact it would be easier for land reformers to insist upon land value taxation and land value rating as an essential part of any scheme for readjusting the complicated problem of national and local taxation in its absence, or before land valuation was completed, the reactionary interests might get all they had been striving for—subventions out of general taxes in aid of local rates, which would

have the same results as the Agricultural Rates Act (1896)¹ in raising rents and prices of land and ultimately enriching the landowners. There were therefore important issues at stake and the Government would have been obliged to take the one road or the other.

By invitation, the Land Values Group submitted written and oral evidence to the Departmental Committee, and the witnesses examined were able to make a complete and convincing statement of the policy embodied in the Land and Taxation Reform Memorial. Other associations and public bodies interested in the question of the relations between local and national taxation appeared before the Committee, and prominent among them were several recognized defenders of the landowning interests (*e. g.*, The Farmers' Club, the Central Land Association, the Surveyors' Institute and the Central Chamber of Agriculture) who were driven to pay attention to the powerful arguments put forward by the Land Values Group, and had to submit a hostile case, which only gave the greater prominence to the proposals of the Group. The memoranda of evidence and oral examination of all the witnesses were issued in June, 1912, in the two official publications (Cd. 6303 I and Cd. 6303 II) and provide much instructive reading to students of the tax laws, their administration, and proposed reforms in the United Kingdom.

The Departmental Committee issued its Final Report on England and Wales (Cd. 7315) in April, 1914. The report dealt with a number of administrative matters, such as the machinery of valuation and the general arrangements affecting Exchequer grants in aid of local rates. Like the Royal Commission of 1901, the Committee was divided on the question of taxing land values. The majority was opposed to the policy, but the expression of more hostile than friendly views was not surprising, since the Committee was composed purely of permanent officials, a body who in the United Kingdom are notorious for their sympathy with conservative ideas. In the circumstances it was a distinct triumph to get from such a Committee a separate report, signed

¹Which provides that agricultural land shall be assessed to poor rates at only half its value.

by six of the thirteen members, disagreeing with the declarations in the main report against the taxation of land values. The separate report recommended that one-tenth of the amount required out of rates should be obtained by a rate on land values. They declared further that the valuation should be published—a very important point for which the Land Values Group have been working ever since the days of the 1909 Budget.

Although the separate report approached the rating of land values in a timorous and characteristically “official” fashion, it made handsome concessions to the general principle of the reform, using arguments which were equally applicable to the complete public appropriation of the rent of land. The case they stated is criticized fully in the May (1914) issue of *Land Values*.

THE LIBERAL LAND CAMPAIGN

The land question by this time was once again in a fair way of engrossing public discussion to the exclusion of all other political topics. With Home Rule, Welsh Disestablishment and other long-fought party issues on the point of settlement, Liberals urged by Mr. Lloyd George were preparing for their next great task—a thorough reform of the land laws. A national campaign was announced and a Land Enquiry Committee representing the Liberal Party was entrusted in July, 1912, with an investigation into the conditions of land-holding, housing and overcrowding, wages, unemployment, rural emigration, etc. The Committee went about their work in a painstaking way and between October, 1913, and April, 1914, issued four lengthy reports full of extraordinary revelations. These reports deal with England (Rural), England (Urban), Scotland, and Wales and may be procured for 25c. each from the publishers, Messrs. Hodder & Stoughton, London.

The Land Enquiry Committee advocated a number of remedies such as rent courts, State purchase and reclamation of “waste” land, statutory minimum wages, State cottage building, national inventory of slums, each of which was thought to be a specific for the particular evil examined. But it is not necessary to deal with these proposals here; the important fact is that in their

second Report (England, Urban) the Committee devoted 200 pages to a description and condemnation of the existing rating system. They recommended that all local authorities should be compelled to impose a penny rate on capital site value, and to derive any new revenues from site values only; they should also be empowered to raise, by a rate on site values, any further part of their revenues they thought fit. Although the proposals were partial and halting, the Report vindicated all the contentions in favor of the taxation and rating of land values and is a notable contribution to the literature of the movement. It is fully discussed, along with the Report of the Departmental Committee, in the May (1914) issue of *Land Values*. The Scottish Report of the Land Enquiry Committee was equally emphatic on the urgency of land values taxation as an essential reform.

THE BUDGET OF 1914

In connection with the Budget introduced in May, 1914, the Government announced two important measures—a Revenue Bill to rectify the Valuation and bring it up to date, and a rating Bill designed to establish some instalment of the rating of land values. The legislation contemplated by the Bills was not regarded by the Government as a matter for separate treatment deserving to be pushed through for its own sake; it was intimately associated with and dependent upon the acceptance of a large and involved scheme for readjusting the relations between national and local taxation and giving grants out of the Exchequer in relief of local rates. The Government, however, soon found itself in difficulties with the super-income taxpayers upon whom the main burden of the grants would have fallen, discussion exposed the absurdity of the plan for distributing the grants, and the scheme was deferred for future consideration. The result was that both the Revenue and the Rating Bills were postponed, the one to be taken up the following Session and the other during the “next year.”

The preceding brief sketch of the parliamentary and political growth of the movement for the taxation of land values brings us to the fateful 4th day of August, and to the tragedy that has

engulfed Europe. At that moment all political discussion of land and social reforms ceased; such questions were put aside as party issues under a declared "party truce" and it is impossible to say when or in what manner they will be resumed. The taxation of land values, as the most controversial of all domestic questions, is not likely to be advanced as long as the international conflict continues. The Government may be driven by force of circumstances to take some part of its enormous revenue requirements by a direct levy on the value of land, but at present there is little sign of that. The task of reformers is to see that there shall at least be no sacrifice of the objects already attained in so far as the Valuation and the Valuation Department are concerned, and fortunately the Land Values Group in Parliament have meantime fought successfully all the insidious attempts to destroy the machinery so laboriously built up and so essential for future legislation.

THE GROWTH OF SINGLE TAX CAMPAIGN WORK

THE ENGLISH AND SCOTTISH LEAGUES

The early history of the educative forces that helped to make the public sentiment for the taxation of land values centres in the main round the activities of the Leagues in Glasgow and London. Henry George had paid his first visit to Ireland and Great Britain in 1881-2, but the country was not roused to his ideas until he undertook his great speaking campaign in 1884. At his second Glasgow meeting in that year the "Scottish Land Restoration League" was formed. This organization with Henry George as adviser and chief speaker, opened up the ground throughout the length and breadth of Scotland, and in this pioneer work the late Edward McHugh, Richard McGhee (now M. P.), the late John Ferguson, Peter Burt, and David McLardy took a prominent part, as they have since. Edward McHugh gave his life for a period of thirty-two years to the cause, and his death in April, 1915, was a grievous loss to its fighting strength. John Ferguson and Peter Burt are two names most closely associated with the agitation that has made the Glasgow Town Council, as a public authority, a protagonist for the reform

among British municipalities. James Alston, now deceased, Wm. D. Hamilton and John Muir carried on the work at the Council for a time; Mr. Hamilton has since resigned.

In England, Henry George's lecture tours were assisted among others by the late William Saunders, Rev. Stuart D. Headlam, Miss Helen Taylor, Thomas F. Walker, J. C. Durant, and Frederick Verinder. They were some of the founders of the English Land Restoration League—now called the English League for the Taxation of Land Values of which Frederick Verinder was elected general secretary at its first annual meeting in 1884, and at that post he still exercises his gifts as a speaker and writer with undiminished alertness and enthusiasm. In 1887, the English League concentrated its efforts on the agitation in London for the rating of land values, and with the co-operation of the Municipal Reform League a "United Committee for the Taxation of Ground Values" was formed. This committee (which is not to be confused with the existing United Committee for the Taxation of Land Values, founded later and under quite different auspices) had a brief existence, but it did great service in the publication and wide distribution of Mr. (now Lord Justice) Fletcher Moulton's pamphlet on the "Taxation of Ground Values." The result of these activities was that the great majority of the members elected to the first London County Council (1889) were pledged to the reform, and the Council thereafter did much to advance the question by deputing representatives to submit, to Parliamentary committees and to the Royal Commission on Local Taxation, most valuable evidence in favor of the rating of land values.

The real lead, however, in the municipal movement came from Glasgow. There the propagandist forces had been reorganized. The "Land Restoration League" had become defunct although much missionary work had been going on under the auspices of the Henry George Institute and sundry minor bodies. In 1890, after a great meeting in the City Hall, addressed by Henry George on his return from Australia, a new organization was established and has been in constant and continuous activity ever since. At first called the Scottish Land Restoration Federation,

its name was changed in 1899 to the Scottish Single Tax League and since 1904, it has been known as the Scottish League for the Taxation of Land Values.

In 1894 the Scottish League founded as the *Single Tax* (the name which it bore until 1902) the monthly journal of the movement, now known as *Land Values*. It was first started in the struggle and determination to spread the knowledge of taxation of land values among Glasgow people and to gain a hearing for the case at the Glasgow City Council; but its circulation has long since extended much beyond these bounds. Its twenty-first birthday was celebrated in the special number of June, 1915. The messages printed therein from all parts of the world are an eloquent testimony to the influence it has gained, to the valuable work it has done as an educator of public opinion, and to its indispensable services as a binding link, giving instruction, help and encouragement to its readers everywhere whether working in union or in some isolated quarter. *Land Values* has in fact become recognized as a chief, if not the chief, standard bearer and news-giver in the world-wide crusade for the Single Tax.

The formation of the Scottish League and the establishment of the monthly journal are associated with the names of John Paul, William and Norman McLennan, J. O'Donnell Derrick, David Cassels and his sons John, William, Robert and David, Thomas Cameron, Harry Llewelyn Davies, Wm. McKeown, John McTaggart, F. S. Mein, William Harrison, William Reid, and James Busby. These early promoters of organized effort, of whom John Cassels, William Harrison, and F. S. Mein have since passed away, were joined almost immediately by the two leading members of the previous organization started in 1884, Peter Burt and David McLardy. Later came Harry S. Murray, W. D. Hamilton, W. R. Lester, James Fairlie, Alex. Mackendrick, John Cameron, John Gordon, Graham Cassels, fifth and youngest son of David Cassels, and of course many others who after many years of activity equally deserve the title of veterans. Want of space forbids a personal tribute to all who have labored ceaselessly but there is one name above others to which a special

measure of respect and affection is due—that of John Paul, editor of *Land Values* since its inception as the *Single Tax*, secretary of the Scottish League from 1894 till 1907, and since then secretary of the United Committee. He had joined the Glasgow Henry George Institute in 1889, and had been its secretary after 1890, but soon the Scottish League absorbed all his energies.

The story of the municipal campaign has already been told in part in the first section of this article. The Scottish League conducted its popular appeal so energetically that within a few years it captured the Glasgow Corporation and secured its powerful aid as a propagandist body, stirring English and Scottish rating authorities to action. In 1896 the Council was able to report that "sixty-two Scottish assessing authorities consisting of seven Town Councils, eight Police Burghs, one County Council, and forty-six Parish Councils had intimated their approval of making land values the basis of local taxation and their willingness to join with Glasgow in seeking the necessary powers from Parliament to give effect to it." In October, 1899, the Scottish League convened in co-operation with the Council, a national Conference at which 216 of the 557 delegates represented 116 rating authorities from all parts of the country. This Conference marked a turning point in the history of the land values movement in Great Britain; it proved beyond a doubt that there was a great body of opinion in the leading municipalities in favor of the reform; and it brought the question at a bound from the propagandist stage into the political arena. It led, moreover, to a series of important municipal conferences in London and Manchester, which prepared and promoted the Parliamentary Bills already referred to, and they gave an enormous impetus to the popular campaign in the constituencies, resulting in the enthusiastic reception of the Budget valuation proposals in 1909.

The Scottish League had not confined itself to the municipal aspect of the question. It had exerted its influence with equal success in national politics, and its speakers and supporters had always been in the forefront making clear to the public what true

radicalism meant. The result is seen in the determined stand repeatedly taken by the Scottish Liberal Association in favor of land values taxation—proof positive that among the rank and file the principle is now a matter of conviction that will brook no compromise.

OTHER LEAGUES

The English and the Scottish Leagues were the forerunners of similar organizations that from time to time were formed in other centers. Yorkshire was led in this way by such men as Charles H. Smithson, whose name and work have been and are an inspiration far beyond his home in Halifax; Ignatius Singer, William Thomson, Fred Skirrow, and the late Lewis H. Berens, who subsequently moved to London and whose death in November, 1913, after thirty years of rare devotion, was another of the severe losses the movement has sustained. The Yorkshire League, which now has its offices at Keighley, grew quickly in membership and already in 1898 had called a national Conference in Bradford, the first meeting of its kind to bring Single Taxers from all parts of the country to a joint session.

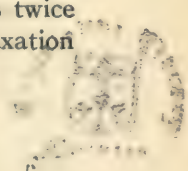
In 1898 a vigorous band of men, led by James McGuigan and A. W. Withy, established a "Single Tax Union" in Portsmouth, and in few towns in England has more determined and more effective work been done for the taxation of land values. The Edinburgh League and the Northern League (in Newcastle) also belong to the older organizations. The younger Leagues (formed between 1906 and 1910) include those in Manchester, Birmingham, Cardiff, Inverness, Birkenhead and Liverpool.

THE UNITED COMMITTEE

The great Liberal victory known as the "landslide," in 1906, was a signal for greater organized efforts than had as yet been made, perhaps even contemplated. It was a case of new occasions teaching new duties and it can be, and is, frankly and freely acknowledged by those competent to judge that the leaders of the movement rose to the occasion. The Parliamentary Campaign Committee referred to above, composed of members of Parliament only, was found to be unworkable as an agency

to cope with the many sided propaganda. The driving power for the policy had to be created in the country and directed to the Commons. The other way—to take a lead from the seat of legislation—was found to be impossible, if not fatal. It is a wise reflection that the people make a Parliament and not the Parliament a people; and the inferences are obvious to all who would begin by seeking light and leading on one special subject from men who are publicly pledged to advance many causes. This is a tempting diversion, but space forbids a continuation of it. With the approval of the few friends then members of Parliament, and with the extra financial support of old steadfast friends the United Committee was instituted at 14 Barton Street, London, on 23rd March, 1907. It was and is now composed of representatives of the various Leagues for the Taxation of Land Values. The constitution of the Committee is the Taxation of Land Values and the corresponding untaxing of industry. It organizes meetings and demonstrations to explain the policy; it publishes and circulates most of the literature of the movement, including the monthly journal *Land Values*; it helps the existing leagues in their local efforts and promotes the formation of new leagues; it institutes classes in political economy and reading circles and provides the teachers; and it co-ordinates and directs the activities and strengthens the hands of the many isolated honorary workers through the country.

The history of the movement since 1907 is fully recorded in the annual reports of the Committee. After the publication of the Report of the Select Committee of the House of Commons on the Land Values (Scotland) Taxation Bill mass meetings were held in most of the big towns in England, Scotland, Ireland and Wales with Alexander Ure (late Lord Advocate), the Chairman of the Select Committee, as chief speaker. Many special campaigns were carried through in town and rural districts not hitherto cultivated by local leagues. A press bureau was established, and by its means upwards of 300 papers throughout the country were regularly publishing, in many cases twice a week, informing articles on the relation of land values taxation



to unemployment, low wages, overcrowding and social conditions generally. A literature department attended to the sales of books and pamphlets and a well-organized house-to-house visitation placed leaflets in the hands of all the voters in 234 Parliamentary constituencies.

This special effort must have a place to itself. It yielded splendid results. The "enemy" became alarmed and indignant and a mob of howling wild dervishes were let loose in the Tory press to make out the United Committee to be the lineal descendants of Ananias. The Liberal official pro-landlord press hung its head in shame or at least affected the part. But the literature went forth up and down mean streets and across hill and dale to our entire satisfaction. The press could howl, or slink round the corner afraid to acknowledge or recognize the men who took their leaders, the Asquiths, the Greys, the Haldanes, the Lloyd Georges and all the rest, to be in earnest when they pledged the Liberal party so engagingly to the Taxation of Land Values. We certainly could and did rejoice exceedingly for the people heard the news gladly. It was propaganda on a big scale and it cost something. There were other two-thirds of the constituencies in need of this message of hope and encouragement, but lack of funds compelled the Committee to stop. Some day and soon we trust it may be resumed. Even the great and bloody struggle now going on to the better end has not wiped out the memory, nor the effects for good of this lively and accurate aim at the ramparts of monopoly. Those responsible for this special literature campaign did a service for the movement which constitutes in itself a glorious page in its history.

The inspiring and sustained effort in the years succeeding 1907, and especially during the period of the Budget and General Election fights of 1909 and 1910, carried everything before it. Two historic events were the Hyde Park and Glasgow Land Demonstrations, called to protest against any surrender to the House of Lords on the question of the Budget and its land clauses; but the success of the Committee and the Leagues may be said to have reached its climax in the notable victories in

North West Norfolk (May, 1912) and Hanley (July, 1912) when E. G. Hemmerde and R. L. Outhwaite were returned to Parliament not merely as candidates "pledged" to the reform, but as out-and-out land values men, preaching the unadulterated Single Tax doctrine. Hanley was certainly a surprise if not a shock to the ordinary plodding Liberal who, with the official cast of mind, had not gauged the progress of the demand for the reform nor realized how far public opinion had traveled in advance of Parliament.

JOSEPH FELS

Among the men attached to the United Committee, the name of one who has lately passed away deserves most grateful recognition. On the 22nd February, 1914, the movement was bereft of Joseph Fels, who in his work as a member of the Committee and as a generous supporter gave such service as will never be forgotten while Single Taxers are banded together to promote their ideal. He came to the Committee in 1908 and during six short years—those fruitful years of rapidly ripening thought for land values taxation—he was to be found always feverishly active in voicing his convictions as an unfettered disciple of Henry George. His efforts, as is well known, were by no means confined to Great Britain; he had a voluminous correspondence with all parts of the globe and he divided his time between Great Britain (or Europe) and his own country, the United States. But we write of his devotion to the movement in Britain, and all that it meant in strengthening the forces and advancing the cause. In all this endeavor his wife Mary Fels was by his side. She continues his and her work with the same spirit of determination and of certain faith in its ultimate triumph.

SIDE LIGHT ON THE LIBERAL LAND CAMPAIGN

The account already given of the Liberal land reform campaign in 1913-14 would be incomplete without a reference to the pressure which Radicals had to bring to bear upon the Whigs in the party. It was another sign that the leaven of

Single Tax propaganda was at work. Mr. Lloyd George's series of speeches between October and Christmas, 1913, had been frankly disappointing—a catalogue of mere patch-work schemes for controlling and supervising land monopoly, with only passing observations on an out-of-date rating system and nothing tangible in the way of promised reform by means of a tax or a rate on land values. The Land Enquiry Committee, in spite of its admissions that the land must be taxed or rated on its value, sought (when it formed into a "Central Land Council") to put that question on one side and instructed its speakers to popularize the patch-work proposals. But the speakers speedily returned from the constituencies thoroughly discouraged with a hopeless task, reporting that the sentiment for land values taxation at their meetings was too strong for them. Mr. Lloyd George himself should have proceeded to Glasgow at the end of the year, but he repeatedly deferred his visit, an intimation from the Scottish Liberal Association to the Cabinet expecting a land values declaration probably having dissuaded him from appearing on the platform until he was prepared to talk the kind of land reform a Glasgow audience would demand. Just about this time the patience of the Single Taxers became exhausted and the United Committee promoted a vigorous counter-agitation. A campaign was specially organized by the United Committee in Aberdeen on 9th December, Glasgow on 11th December and Dundee on 15th Dec., and at great mass meetings an effective demonstration was made which had a powerful influence on the further development of Mr. Lloyd George's policy. He ultimately went to Glasgow on 4th February, 1914, and there, in an historic pronouncement, definitely pledged the Government to the taxation of land values. What that pledge meant and how far it would have carried the Government can only be surmised from the subsequent proposals made in the 1914 Budget, but which, owing to the war, were not proceeded with. The essential fact to be recorded, however, was the signal victory won by the movement under the test of popular support. All the years of its strenuous campaigning had been ignored, counted out, or were perhaps unknown to the

wrong-headed organizers of the 1913 Liberal Land Campaign. These all-round Liberals, safe men—safe to take the party back into the wilderness—most of them of mushroom growth, appeared at the green-room door of the Liberal theatre in 1906 when the complete rout of the Tories put it beyond peradventure that Liberalism was once again in fashion. But these innocents must be held blameless for the new venture on land reform which was to keep the Whigs (the moderates) within the building by the simple method of putting radical land and rating reform outside. The blame must be charged to those who were in power and in authority and to no one else. The Liberal party has always been afflicted with the threat of the well-to-do supporters to leave camp whenever it seeks to do some measure of justice to the people. This generates much heat, a fever setting in when the democratic side finds a popular leader like, say, Lloyd George, in his Budget campaign days. The rich man generally wins. He retains the substance, and the rank and file the shadow, or some framework upon which they are told something can be built some other day. It is about here that the Labor party should come in to back up the Radicals; but alas for one's expectations in that direction. In the case of land values taxation they were up against their own economic creed, and the most prominent of them were up against their own public record as opponents of the Single Tax principle.

Such in brief is the story we British Single Taxers have to tell at this stage of our movement. We can bring no gifts to the altar in the form of any legislative achievement; but we have, we believe, accomplished something by way of creating and strengthening the now quickly-growing public opinion for our ideas and our practical policy.—A. W. M.

NEW ZEALAND

It is a curious fact that the first step towards the realization of the Single Tax ideal in New Zealand was taken before the actual publication of *Progress and Poverty*. The Government of which Sir George Grey was Premier came into office in 1877, and in the following year submitted its proposals for the taxation of land values, which proposals Parliament adopted under the name of the Land Tax Act. The measure provided for a tax of one half-penny in the pound "on the capital value of land after deducting the value of all improvements thereon," and "improvements" were defined as meaning "houses and buildings, and includes fencing, planting and draining of land, laying down in grass and pasture, and any other improvements the benefit of which is unexhausted at the time of valuation." The Act did not provide for any graduations in taxation, that is to say, the tax of one half-penny in the pound was levied on the value of land, minus improvements, all round; but there was provision for an exemption to the value of £500. Save for this exception the measure was in complete accord with the principles of taxation since associated with the name of Henry George.

Those were the days of plural voting and large estates, and the measure aroused fierce and unscrupulous opposition. The press poured out a tirade of misrepresentation and abuse on the Government, and as the principles of land value taxation were not then as popularly understood as they are now, it is not surprising that the position of the Government was seriously weakened. Finally a motion of Want-of-Confidence in the Government was carried by a small majority, and the usual constitutional result followed: The Government resigned, and were succeeded by a Conservative Ministry, of which Mr. (afterwards Sir John) Hall was the Premier. Almost the first work of the new ministry was to repeal the Land Tax Act; indeed it was repealed before there was time to collect a penny

of taxation thereunder. In this the enemy showed his usual astuteness, for had the tax been collected, its benefits would have been immediately apparent, and its repeal would have been a very difficult matter. The finances of the country were in a bad way, and as it was imperative to provide revenue, the new Government had recourse to two expedients—they increased the Customs duties and induced Parliament to pass a measure providing for a direct tax on all property. This last was known as the Property Tax Act. Inasmuch as it was a tax on the value of land and improvements as well as upon all personal property of every kind, subject to an exemption of £500, the property tax proved in practice a very unpopular impost indeed. In principle, of course, it was not really worse than the indirect taxes, but everyone felt that he paid it and nobody felt that he ought to pay. Although the property tax remained in force until 1891, it excited continual unrest and dissatisfaction, and its unpopularity had much to do with the return of the Liberals to power at the general election of 1890.

In the interval between 1879 and 1891 no legislative advance whatever was made in the direction of taxation reform, but an important victory was gained in 1889. In that year the Atkinson (Conservative) Ministry, submitted to Parliament an Electoral Bill. No very important change in the electoral law was contemplated by the bill, but when it was being considered in the Committee of the Whole, the veteran Sir George Grey moved an amendment abolishing plural voting, and to the surprise and chagrin of Ministers, the amendment was carried by 55 votes to 18. The general election that followed in 1890 marks an epoch in the history of taxation reform in New Zealand. The property tax was unpopular, plural voting had gone, and the country had just emerged from a strike of which the effect was to quicken organized labor into unprecedented political activity. The result was that the Atkinson Ministry was swept from power, and the Liberal Party, of which the Hon. John Ballance was leader, came into office with the active cooperation of organized labor. The new Ministry was definitely pledged to abolish the property tax and to substitute therefor

a land and income tax. Mr. Ballance had always been more or less a protectionist, and there is little doubt that neither he nor his colleagues ever fully realized the potentialities of land value taxation. To his Government, nevertheless, must be given the credit of accomplishing something really fundamental and enduring. Tried by the test of our principles there was much to criticise in the new law. The exemption of £500 was retained, improvements were exempted only to the value of £3000, and provision was made for the imposition of a graduated tax on land values over and above the ordinary land tax which was fixed at one penny in the pound.

Once the measure reached the statute book, friend and foe combined in attacking the taxation of improvements above the value of £3000, and in 1893 the Sedden Ministry (for Mr. Ballance had in the meantime died) swept the limitation away altogether. Thereafter there remained two defects, and these still persist. First, the mortgagee of land is deemed the owner, and he pays the tax. In the vast majority of cases mortgaged land is improved land, and thus the taxation of the mortgage, since the mortgage necessarily covers improvements, is in reality the taxation of improvements. In my opinion, however, the exemption is a much more serious defect. In every instance where the unimproved value does not exceed £1500 this exemption is allowed, and the exemption diminishes above that limit at the rate of £1 for every £2 of unimproved value. Thus a person owning land of the unimproved value of £1500 is taxed only on £1000. An owner of £2000, unimproved value, is allowed to deduct £250; and the exemption does not disappear absolutely until we reach an unimproved value of £2500. As a result of this exemption fully two-thirds of the freeholders of this country pay absolutely no land value taxation at all for national purposes.

The graduated tax, which is imposed in addition to the ordinary tax of one penny in the £, begins when the unimproved value reaches £5000. The Act of 1891 provided for an additional tax of $1\frac{1}{8}$ of a penny in the pound from £5000 to £10,000; $1\frac{7}{8}$ from £10,000 to £20,000, and so until the tax reached

two pence and $\frac{5}{8}$ ths from £190,000 to £210,000, and two pence and $\frac{3}{4}$ ths above that figure. These scales of graduation have been altered from time to time in the direction of increasing the tax. In 1907, for instance, the scales of taxation were shortened. Thus from £5000 to £7000 the tax was increased 1-16th of a penny in the £, until the tax reached 13-16ths of a penny from £30,000 to £40,000. Above the limit of £40,000 the tax was increased by one-fifth of a shilling in the £, and an increase of 25 per centum was added to these increases, except in the case of urban land on which are erected "business premises." Under pressure of vested interests these increases did not take effect until March 31st, 1910. On account of the extraordinary expenditure required by the present war, the graduated tax was this year (1915) increased by 50 per centum, but the increase is limited to country lands. (By way of parenthesis I may add that in connection with the war we have adopted other taxes greatly at variance with the principles of land value taxation. Reformers cannot disregard the fact that war makes always for unsound taxation). Concluding my reference to the graduated tax, I may add that, notwithstanding its economic unsoundness it is decidedly popular for the reason that it professedly aims at the largest class of proprietor. The ostensible object is to accelerate the subdivision of land, but it cannot be maintained that in that respect it has proved an unqualified success. The revenue from the land tax in 1892 was £280,000 in round figures. It is now increased to £800,000, but of course some of the increase is due to the increased values.

Neither the Act of 1878 nor that of 1891 contemplated a systematic valuation of land. When the principle of land value taxation had been adopted, however, the need of a regular system of valuation was felt immediately, and in 1896 the Government Valuation of Land Act became law. By this Act a Valuation Department was set up under the control of an officer called the Valuer General. Provision was made for the separate valuation of land and improvements, and re-valuation was provided for from time to time in the discretion of the Valuer General. The measure aroused strong opposition, and has given rise to much

criticism, but, though amended from time to time, its essential provisions stand, and the Act may now be regarded as a fundamental law; indeed its existence is bound up inextricably with our system of land value taxation.

The year 1896 is remarkable for another great advance towards the realization of the Henry George ideal, for in that year was passed the Rating on Unimproved Values Act. Here I may explain that all local taxation is with us called "rating," the word tax and taxation being reserved for the imposts levied by Parliament. Prior to 1896 our local governing bodies—called counties in the country and boroughs in the towns—had perforce to raise their revenues by rates on the value of land as improved. Hence the owner of vacant land paid less in taxation than the improving proprietor; in other words, the improver was penalized for his industry, while the mere speculator was encouraged to allow his land to lie unused. Parliament did not proceed to abolish this evil directly, and indeed it is not abolished yet. By means of the Act, however, power was conferred on the ratepayers within any given district to cause all rates to be cast upon the unimproved value, all improvements being exempted. Like all legislation hitting monopoly in the heart, this measure encountered the most truculent opposition. It was passed by the House of Representatives in 1894 and 1895, but was rejected by the Upper House or Legislative Council. The popular Chamber passed the Bill again in 1896, however, and the Council then withdrew its opposition, and the measure became law. As it stood at first the Act had several serious defects. For example, no rating poll was valid unless a third of the ratepayers actually voted. In 1899, however, this blemish was removed, and since that year every poll has been decided by those ratepayers who record their votes. Again, certain rates such as charitable aid rates, gas rates, etc., were not within the Act, but in 1911 this anomaly was also swept away, and now, if and when the provisions of the Act are adopted, all rates are struck on the unimproved values only. A rating poll is obtained on a requisition signed by a number of ratepayers. The number of signatures is twenty five per centum where the number on the ratepayers'

roll does not exceed one hundred; twenty per cent. where the number exceeds one hundred, but does not exceed three hundred; and in all other cases fifteen per cent. Readers will readily understand that this Act has given Single Taxers in this country a chance of which they are not slow to take full advantage. In the great majority of cases where rating polls have been won, the moving spirit has been the Single Taxer who, taking tactful advantage of the unpopularity of penalizing improvements, has first shown the improving proprietor how to get rid of the injustice and then induced him to sign a requisition asking for a poll under the Rating on Unimproved Values Act. Once the required number of signatures has been obtained the Mayor or County Chairman, as the case may be, must order a poll within twenty-eight days. So far about 130 local districts have adopted the system, including the important cities of Wellington and Christchurch. A poll can be taken every three years on the question, but though numerous attempts have been made, the old system has been reverted to in two cases only. A most determined effort was made a few months back to rescind the new system in Christchurch City, but without avail. It is absolutely certain that within the next few years in this country all local taxation will be derived from the unimproved value of land alone.—P. J. O'R.

SOUTH AUSTRALIA

South Australia enjoys the distinction of being the first State to adopt the system of taxing unimproved land values. It was first collected in 1885, under the Taxation Act of 1884. This Land Tax Bill was introduced by the Hon. W. B. Rounsevell, who was Treasurer in the Colton Ministry. The Act provides that a tax of one half-penny in the £ should be levied upon the unimproved value of all land, excepting (1) park lands, public roads, public cemeteries and other public reserves, (2) land used solely for religious or charitable purposes, or used by an institute. Under the original Act it was compulsory to make a fresh assessment every three years, but by an amending act in 1902, fresh assessments are now only necessary once every five years. So soon as the assessment is made, the books must be deposited in the offices of the Commissioner and the same is open free of charge, to public inspection. If the land tax remains unpaid for a period of two years, notice of the amount due is published in three consecutive issues of the *Government Gazette*, and if the said taxes are not paid within one year from the first publication of the notice, the Commissioner has power to let the land from year to year, or apply to the Supreme Court for a sale thereof. Appeals against assessments are allowed within two months after the making of the assessments and must be made to the Commissioner; his decision may be appealed against to a special Court of Appeal.

From 1884 to 1895, there was a uniform all-round tax of one-half penny in the £. In 1895, under the Taxation Act Amendment Act of 1894, an additional half-penny in the £ on values above £5000, and 20 per cent. on and added to the taxes payable by absentees was also collected. These rates continued until 1903, when the all-round tax was increased to $\frac{3}{4}$ d in the £; the additional on values above £5000 remaining at $\frac{1}{2}$ d, with the absentee tax charged on the $\frac{1}{2}$ d in the £ values, each tax reverting again

in 1904 to rates in force prior to 1903. In 1905 the rates were an all-round $\frac{3}{4}$ d in the £, $\frac{3}{4}$ d in the £ on values above £5000, with 20 per cent. on total of both taxes for absentees. For 1906 and on to the present, the rates prior to 1903 are in force. Under the Act of 1894, "absenteeism" consists of absence from the State for the period of two years prior to the date on which the tax became due. But the duration of absence was reduced to twelve months by the amending Act of 1904. The following statistics may prove of interest. The total land values of South Australia when the assessment was made in 1905, was £33,527,099. At the 1910 assessment values had increased to \$55,010,000, an increase of £21,482,099 in five years. The 1915 assessment has just been completed and the total values are not yet available, but are expected to be about £70,000,000. According to a return presented in 1911, the value of all land in municipalities was £9,606,197, and in district councils, £41,342,228. There has been no return prepared recently giving particulars showing how the land is held. The latest available was prepared September 7th, 1911, and was as follows;

4595 estates between £2,000 and £5,000, valued at £14,189,918.
1727 estates over £5,000, valued at £22,265,300.

Total area of South Australia, acres.....	243,244,800
Land sold and leased, acres.....	128,717,759
Area cultivated, acres	4,612,274

Amount actually paid cash sales land.....	£ 14,174.00.0
Annual Rent payable Leasehold lands.....	133,134.11.4
Arrears of rent to date.....	49,817.11.5

Amount of Land Tax paid for Year ending June, 1915, £131,896

LOCAL RATING

In 1890 an attempt was made to introduce land values rating for local government purposes. A clause to give effect to the principle was inserted in the Municipal Corporations Bill of 1890. It passed the House of Assembly, but was rejected by the propertied chamber, the Legislative Council. In 1891 a separate bill providing for land values assessment was passed in the Assembly, and rejected by the Council. The bill was again

introduced in 1892, and met a similar fate. In 1893, it was passed, but was so mutilated and amended by the landlords in the Council as to be almost unworkable. The original Act of 1893 has been amended three times—in 1900, 1910, and 1914. There is still room for great improvement.

At present rating on land values is optional for municipalities, but district councils are debarred from assessing on land values, as the Act does not apply to them. An amendment granting them the power has been moved on several occasions, but the Council will not give their consent to the measure.

Under the Land Values Assessment Act of 1893, it is provided that before a poll of the ratepayers in any municipality can be taken, one month's notice of such intention must be given by advertisements inserted in the *Government Gazette*, and in two papers circulating in the municipality, and a printed placard must be posted outside the town clerk office. Furthermore, a tentative assessment must be prepared showing the amount of rates paid by each citizen at the time of taking the poll, and also the amount each would be called upon to pay if land values assessment were in operation. This assessment must be open for public inspection for at least twenty-one days before the taking of the poll. At the poll, owners and tenants are entitled to vote, and before the poll can be effective, at least 25 per cent. of the actual number of ratepayers on the roll must record their votes in the affirmative. Should the citizens decide to adopt the principle of land values rating, the Council must then petition the Governor-in-Council asking that the town be proclaimed under the Land Values Assessment Act.

The Act of 1893 made it compulsory for local bodies to adopt the valuation of land made by the State government as the basis for local rating, and this was the cause of a great number of appeals, owing to the anomalies which existed in that valuation. By the amending acts of 1910 and 1914, councils have power to make their own assessments, such assessment to be altered and added to as required each year, but once every seven years it is compulsory to make a complete new assessment.

The Act of 1893 limited the amount of revenue which could be raised under land values assessment to the amount raised

during the last year that the rating was on the rental value basis. This was a serious defect as it made no provision for the extra revenue required as the town progressed. Amendments to the Act, made in 1910 and 1914, now grant power to raise 20 per cent. more revenue than could be obtained, supposing the old rental value basis was still in operation. Thus there is power granted to raise all the revenue required, and these amendments have removed one of the most serious objections to the Act.

But the Act is still far from perfect. As it is at present a hostile town council can block the will of the people by refusing to grant a poll of the ratepayers. It requires to be amended in the direction of making it compulsory for the poll to be taken, on receipt by the council of a petition signed by five per cent. of the ratepayers. Furthermore, a simple majority of the ratepayers going to the poll should be entitled to decide the question, instead of as at present, 25 per cent. of the total number on the roll. While this restriction remains in the Act it plays into the hands of hostile councils by allowing them to fix polling day on an off day from that of the general election, relying on that fact for the poll to be lost by the apathy of the electors.

Despite all the obstacles which have been placed in the way by the House of Landlords, up to the present 12 towns in South Australia are collecting all revenue from the unimproved value of land. The names of the towns, with the results of the voting at the polls are as follows:

		FOR	AGAINST
1907	Thebarton.....	703	435
1908	Moonta.....	170	117
1910	Port Adelaide.....	2331	421
"	Hindmarsh.....	1003	344
"	St. Peters.....	952	352
"	Mount Gambier.....	490	306
1911	Glenelg.....	474	277
"	Port Pirie.....	1225	380
1912	Gawler.....	179	173
"	Petersburg.....	262	117
"	Quorn.....	85	20
1913	Yorke town.....	53	40

The Land Values Assessment Act provides that after the system has been in operation for two years in any municipality,

the citizens have the right of taking a poll with a view to returning to the old system if they so desire. Only in one instance has such a request been made. That was at Thebarton, the first town in South Australia to adopt the system. At the request of six dissatisfied ratepayers of that town, the town council granted a poll, but to the great disgust of the landlord class, the principle was reaffirmed by a larger majority than was recorded when the principle was first adopted in 1907. The majority in favor of retaining land values assessment was 335 in 1914, as against 268 at the first poll. Furthermore, at the first poll, tenants and owners were allowed to vote, whereas at the second poll, the voting was by owners only. After this expression of opinion by the owners it is safe to say that no further attempts will be made to overthrow the principle.

Thebarton possesses a very striking example of the efficacy of land values rating as a means of destroying land monopoly. Right in the centre of the town there was a large vacant block of land, containing 134 acres. This section was originally secured at 12/6 per acre, and the owners were absentees residing in Great Britain. The Thebarton Corporation were anxious to secure a few acres of this land for a recreation park. They approached the agent of the absentee owners, asked the price, and were informed that it was £150 per acre. Up to that time the only use to which the land had been put from the time it was secured for 12/6 per acre was the growing of a crop of hay and being used as a training track for race-horses. The Corporation refused to give the price asked, and the town is still without its recreation park. Under the old system of rating this section paid £31/7 per year to revenue. When Thebarton adopted the rating on land values principle, the owners had to pay £255/10 per year, with the result that it would not then pay them to keep the land idle, and today there are two factories and over 100 houses erected on the land. This section bears eloquent testimony to the effects of land values rating as a means of opening the land to the people. Wherever it has been tried in South Australia it has proved an unqualified success, and the ratepayers will never return to the old system of taxing improvements.—E. J. C.

QUEENSLAND

LOCAL RATING

Although Queensland was the last State in the Commonwealth of Australia to tax land values for State governmental purposes, it enjoys the honor of being the first to adopt the principle for local government. The first steps in this direction were taken by the Conservative Government of Sir Thomas McIllwraith. They passed "The Divisional Boards Act, 1879," which provided that certain improvements should be exempt from rating in the rural areas.

The later act, the Divisional Boards Act, 1887, was carried by the government of Sir Samuel Griffith. This extended the principle of exempting improvements from taxation and provided that the capital value of country land, upon which the annual value was to be based, should be taken at the fair average value of unimproved land of the same quality in the same neighborhood.

Later on a Coalition Government composed of Liberals and Conservatives passed "The Valuation and Rating Act, 1890." This "excluded improvements from local rating in urban, as well as in rural areas, except as regards land held under gold-field tenures, where the value of buildings was to be included."

In 1902 the Conservative government of Mr. Philip passed "The Local Authorities Act, 1902," which consolidated the whole of the statutes relating to local government. This Act swept away almost the last vestige of any rating on improvements and made the unimproved value of land practically the sole basis on which local authorities were permitted to assess rates.

A Royal Commission was appointed in 1896 to inquire into and report upon the whole system of local government. The enquiry lasted for two months, many witnesses were called and examined, and questions were sent to all local councils. Ninety-six replies were received. Only one witness expressed an opinion

in favor of the old system of taxing improvements, and only one local authority did the same. It will thus be seen that after five years practical working of the principle it met with almost universal approval.

The Act of 1902 limits the rating power of local authorities as follows, no distinction being made between rural and urban authorities. The general rate shall not be less than one half-penny and not more than six pence in the pound on the unimproved value of land; special rates shall not exceed three pence in the pound. In addition, water rates, separate rates, loan, cleansing, and tramway rates may be levied and no limit is set to their incidence. The minimum valuation of any property is £20 in shires and £30 in cities and towns. Tramways are rated in the ordinary way on their land, and in addition pay $1\frac{1}{2}$ per cent. on the gross earnings of their cars. Gas companies pay from £1 to £8 per mile of main pipe, according to their diameter, and electric supply companies pay £2 per mile of route traversed by their line or lines. Hydraulic mains under public roads pay £5 per mile during the first ten years and £10 per mile thereafter.

The following table of figures will show the growth of population and land values in Queensland from 1906 to 1913.

1906	Capital value of land	Rates received	Population
Shires.....	£29,197,808	£176,664	306,212
Cities and towns...	13,980,737	217,665	227,106
Total	£43,178,545	£394,329	533,318
1913	Capital value of land	Rates received	Population
Shires.....	£41,272,641	£362,108	399,305
Cities and towns...	15,708,680	379,865	273,874
Total.....	£56,981,321	£741,973	673,179

TAXING LAND VALUES FOR STATE PURPOSES

Previous to 1915 there was no tax levied upon land values for State purposes, but on December 29th, 1915, assent was given to "An Act to Impose a Land Tax upon Unimproved Values and for purposes incidental thereto and consequent thereon." This Act applies to all lands within Queensland

which, "whether before or after the passing of this Act, have been alienated from the Crown for an estate in fee-simple." The Act provides that if the taxable value is less than £500 the rate of the land tax shall be one penny for each and every £; and for all amounts exceeding £500 up to and including £75,000 and over, the rate shall be graduated increases of approximately one half-penny in the £ up to a maximum of six pence in the £ for £75,000 or over.

And in addition, on all undeveloped land: For the year beginning July 1, 1916, 1d in the £; 1917, 1½d in the £; and annually thereafter 2d in the £.

"For the purpose of this section, undeveloped land means all land which has not in or upon it improvements of the value of at least one-fourth of the unimproved value of the land; and, in valuing improvements for this purpose, the value of all stock ordinarily depastured on the land may be taken into account as an improvement: Provided, that any land may in any year be exempted from the said tax on undeveloped land by the Commissioner if, owing to drought or other sufficient cause, he deems it just and proper so to do."

The Land Tax Act of 1915 was passed by a Labor Government with Mr. Ryan as Premier.—E. J. C.

NEW SOUTH WALES

The first law providing for the taxation of land values in New South Wales was passed in 1895. It was called the Land and Income Tax Assessment Act. It was the result of very considerable public agitation due to the wide circulation of *Progress and Poverty*, and to the visit of Henry George to this State in 1890. The chief issues at the General Election of 1894 were freedom of trade and taxation of land values. The result was a sweeping victory for Mr. G. H. Reid, M.L.A., now Sir George Reid, M.P., of the British House of Commons. The conservative element in Parliament still resisted the proposal to tax land values and the Upper House, known as the Legislative Council, threw it out. Mr. Reid appealed to the people forthwith, was returned again, and so the bill became law.

It is important to bear in mind that this law, with its many defects, was an earnest attempt to carry out that fundamental feature of Henry George's proposals—to substitute taxation of land values for existing taxes. The effect of the persistent and bitter opposition is seen in the number of exemptions and the coupling of a tax on incomes with the tax on land values. Mr. Reid remitted a large number of customs duties, making Sydney one of the freest ports in the world. He taxed land and incomes for revenue and practised economy to make the loss good.

The Land Tax Act of 1895 provided for a tax of one penny in the pound on the unimproved capital value of all land after the deduction of £240, which deduction was made only once in the case of an owner of more estates than one. Land subject to mortgage was liable to a deduction each year from the tax on the unimproved value of a sum equal to the income tax leviable for that year on the interest derivable from the whole mortgage on the land, improvements included.

Mr. T. A. Coghlan, in his *Australia and New Zealand*, 1903-4, states:

"The value of land assessed for taxation purposes is £129,178,000; while £16,440,000 represents the value of land falling below the minimum taxable value (£240), or untaxable in consequence of mortgage deductions. As an exemption of £240 is allowed for each person, the taxable amount is further reduced by £9,840,000; exemptions in respect to mortgages described in the text still further reduce the taxable balance by £16,800,000, and balances due on land conditionally purchased from the State by £9,298,000, so that the actual taxable value is £78,800,000.

"The number of persons owning land in New South Wales is about 178,000, but the deductions allowed by law reduced the actual number of taxpayers to 41,000."

The intention of the Act was to impose the tax upon the owner of the land. It was found, however, that certain landowners who had leased their land for long terms with conditions as to improvement, and a stipulation that the lessee should pay "all rates and taxes," sought to evade their responsibility. The result was the Land Tax Leases Act of 1902, which apportioned the amount rightly payable between owner and lessee. It was found that some lessees were in effect owners of land value, because of their long lease and the increase in value after they leased the land, while the rent to the owner was fixed for the whole term. Referring to this Act the *Commonwealth Year Book No. 2*, states:

"The Act of 1902 only applies to land while it is subject to a lease from the owner which was current at the end of the year 1902, and of which not less than thirty years were at such time unexpired, and land that is subject to a lease from the owner made after the commencement of the Act for a term of not less than thirty years, and provided for a similar tax to be paid conjointly by owners and lessees, according to an adjustment made by the Commissioners."

The revenue obtained from this Act was not very large. It steadily increased until the financial year 1906-7, when it amounted to £345,497. Next year it began to fall off as the shires imposed their rates on land values. The State tax is now

only collected in the western division and in 1914 amounted to only £4,692. The benefits of the law must not be measured by the revenue received. It was the first legislative recognition of a principle of vital and far-reaching importance. In order to show the great advantages accruing from an instalment of the policy of remitting indirect taxation of labor through customs taxes, and substituting even a small faulty tax on land values, it is only necessary to draw attention to the great increase of land under cultivation. Free trade and land value taxation is a great policy to facilitate production in a new country. In the six years from 1895 to 1901, when the Commonwealth robbed New South Wales of its free trade policy, the area under cultivation increased by 1,119,600 acres, or 84 per cent. The increase in the value of all crops was £2,417,162, or 70 per cent.

The next advance was the passage of the Local Government Act of 1906, by Mr. J. H. Carruthers, now Sir Joseph Carruthers, who became Premier in 1904. It is due to him that we have taxation of land values for raising local revenue in the best and purest form in the world—as a substitute for taxes on improvements.

Prior to the passage of this Act local government in N. S. W. was confined to 192 municipalities with an incorporated area of less than one per cent. of the total area of the States. Mr. Carruthers first tackled the problem of rural government by means of the Shires Act, 1905. That covered the whole State outside municipal boundaries, except the sparsely settled western district. The next step was the Local Government Extension Act, which remodelled municipal legislation. These two acts were at once consolidated into the Local Government Act of 1906, which came into operation on the 1st January, 1907, except the rating provisions in municipalities which were not enforced until 1908. The Act provides that municipal and shire councils shall impose a general rate of not less than one penny in the pound upon the unimproved capital value of all land except commons, public reserves and parks, cemeteries, public hospitals, benevolent institutions, churches, and other buildings used exclusively for public worship, free public libraries, the Uni-

versity of Sydney, and colleges connected with it, and unoccupied crown lands. The Act did not apply to the "city" portion of Sydney. It was provided that in case a council did not require as much revenue as a penny rate would yield, the governor could consent to a lower rate.

Councils must impose a general rate or local tax, and may impose additional general, special, local, loan, or water rates. All rates except the general rate may be imposed on unimproved land values or improved values—that is, the value of land and improvements taken together. All these rates except a loan rate for interest and sinking fund on loans raised prior to the passage of the Act, are subject to a poll of the ratepayers if demanded in the prescribed manner. All polls yet taken under the Act have been decided in favor of rating on unimproved values.

These polls usually are on a demand for a poll to decide the incidence of a proposed rate, or in connection with a proposed loan. When a municipal council proposes to borrow money it has to get the approval of the ratepayers at a poll. Two questions are submitted: (1) To decide whether the loan shall be raised, and (2) whether the rate for interest and sinking fund shall be on unimproved or improved values. A proposed loan may be rejected, but a majority of the ratepayers are always for land value taxation in case it should be carried.

It is important to note that landowners alone have the right to vote at a poll to decide the incidence of a rate. Taxation of land values so far as local government in N. S. W. is concerned, is essentially a landowners' policy. They always favor a just basis at a poll because the majority of landowners are users of land, not speculators in vacant areas.

As soon as a council imposed a rate of not less than one penny in the pound, or a lower rate with the governor's consent, the collection of the State land tax with its £240 exemption was suspended. The provisions of the Land Tax Leases Act of 1902 were preserved.

In 1909, Mr. Wade, who had succeeded to the Premiership, passed amending legislation which also transferred the power to

collect the land tax to the City Council of Sydney, but he insisted upon the occupied crown lands being exempt, whereas under the Local Government Act they are ratable. He also amended the Local Government Act and Sydney Corporation Act to put the liability for rates upon the lessee instead of the owner as hitherto provided. The City Council was also empowered to rate on land values only, but it has remained a dead letter owing to the exemption of government properties. The Wade Act caused no end of trouble. As the result of much negotiation Mr. Holman, as Premier in 1913, undertook to indemnify the City Council against loss if it imposed its rates solely on land values. Having that promise the electors in the General Aldermanic election in December, 1915, returned a council with a substantial majority in favor of rating on land values only.

Here is a summary of the position in 1913, concluding with a table showing the revenues assessed as due. The figures are from the latest *Statistical Register*. Of the 134 shire councils 38 imposed a general rate of 2d in the pound. Eight councils imposed less than one penny with the Governor's permission. No fewer than 105 councils imposed one flat rate for all services, while 29 imposed various local rates, the highest being a water rate of 9d in the pound, at Portland. Of 187 municipal councils—several areas having been absorbed by surrounding shires—70 imposed one flat rate for all services varying from one penny to 6½d. Other councils imposed one or more additional special or local rates, although in most cases they obtain the bulk of their revenue from the general rate on unimproved values. The larger portion of the City of Sydney rate revenue is obtained by means of a rate on the assessed annual value of property, instead of the improved capital value.

LOCAL GOVERNING BODIES	Unimproved Capital Value	Rates Imposed on Land Values	Rates Imposed on Improved and Annual Values
134 Shires	£99,452,191	£ 572,695	£ 197
40 Sydney suburban municipalities .	28,240,971	752,497	1,509
147 Country municipalities	20,807,126	485,773	41,254
City of Sydney	23,837,157	148,982	241,696
Total	£172,337,445	£1,959,947	£283,656

Apart from the State Land Tax which yields a nominal sum in the Western division, land values are not drawn upon for State revenue purposes in N. S. W. The Australian Commonwealth Government, however, imposes a graduated tax on unimproved values, with an exemption of £5,000. It begins at one penny, gradually increasing to 6d at £80,000 and over. There is no exemption for absentee owners and rate of tax is a little higher. The Act was passed towards the end of 1910. The system adopted is of a very complicated character. It is not on Henry George lines at all. Not only are the exemptions and graduations a departure from principle, but the tax is imposed in addition to existing taxes, instead of in substitution for them. It is impossible to say what proportion of the tax is collected from N. S. W. Probably it is about two-fifths of the total. The tax assessed as payable for the whole Commonwealth for the year ending 30th June, 1913, was £1,459,962. The rate of the tax was increased in 1915, but the £5,000 exemption was not touched.¹—A. G. H.

¹Since this article was written the city of Sydney, with a population of 700,000, has adopted a measure for the taxation of land values only. It is thus the largest city in the world to derive its revenues almost exclusively from land values. There is no personal property tax in Sydney. The credit for this victory is due in large measure to the tactful and persistent advocacy by the writer of the foregoing contribution, Mr. A. G. Huie. It marks quite the most important advance in legislation secured by the advocates of our principles anywhere in the world.—EDITOR.

SOUTH AFRICA

The movement for the rating of land values has made very rapid strides in the Transvaal in the last five years. In 1902 the Johannesburg Town Council asked for power to rate land values only. The legislature ignored this request and made it compulsory to rate land and buildings equally but required the value of the two items to be shown separately in the valuation roll. At various periods the same council, influenced as time went on by the action of an increasing number of other town councils, urged the legislature to give the power to rate land values only, but no notice was taken of the request. In 1911 the Labor Party put the rating of land values only in the forefront of its programme for the general town council election in that year. A majority was secured in favor of the Single Tax. The question then became one of practical politics, but still the provincial legislature refused to alter the law.

In 1912 the Leasehold Townships Commission unanimously recommended that the rating of site values only was the only effective means of enabling leaseholders to secure the enfranchisement of their titles on fair and equitable terms. In March, 1914, the General Provincial Council elections for the Transvaal took place and the Labor Party secured a majority of the seats in that legislature. That majority at once introduced and passed a Rating Ordinance making the rating of site values only compulsory on all local authorities. This was hung up by the Union government at the request of the township companies. The same fate befell the next rating ordinance, which conferred optional powers on local authorities to rate site values only. Both these bills lapsed owing to the Union government's taking advantage of the veto power.

In 1916 a new rating ordinance was passed and this time received the assent of the Union government and is now law. This ordinance provides that before any other rates are levied

there must be an original rate of one penny in the pound on the site value. All additional rates are to be on the site value, but the local authority on a resolution supported by a majority of all its members (not merely of those present), may rate improvements equally with or at a value less than the additional rate levied on the site value of land.

For the first two years that the Ordinance is operative, that is, until March 22, 1918, the local authority must levy a rate upon improvements equal to not less than one-half of the additional rate upon the site value. Thus the Pretoria rate for 1916 is:

(a) On site value, original rate of one penny and additional rate of three pence.

(b) On improvements rate of one and a half penny (half the additional rate).

The maximum of the additional rate is six pence on site value or three pence on site value and improvements, both being exclusive of the original rate of one penny compulsory on site value.

TAXATION OF LAND VALUES IN THE TRANSVAAL

The majority of the Provincial Council has made strenuous efforts to secure the taxation of land values for provincial purposes, but under the constitution no expenditure (*e. g.*, for preparing a valuation roll) can be incurred and no taxation imposed without the recommendation of the Administrator, who is a nominee of the Central government, the Land Owners' Party, and is not responsible to the Provincial legislature. The Administrator refused to recommend the necessary expenditure or taxation. This absurd constitutional provision is the only reason why a land tax is not at the present moment being levied in the Transvaal.

LAND OWNERSHIP IN THE TRANSVAAL

The total area of the Transvaal is 110,426 square miles or 70,672,640 acres. The Transvaal Consolidated Land Company owns 3,330,000 acres and the African Farms, Ltd., about 1,580,000 acres. There are a number of other companies and private

individuals owning over a million acres each, but there is at present no means of ascertaining the approximate figures of their holdings as they refuse to supply the information. Very little use is being made of these holdings.

LAND SYSTEM

The chief titles to land (other than special mining titles) are freehold and leasehold. The great bulk of the land has been alienated from the crown. In 1912 Parliament passed an Act which empowered the government to purchase land for closer settlement, which is having the inevitable effect of raising land values. In the Transvaal a law has recently come into force which prevents town councils from disposing of their land except under lease for a period not exceeding twenty years, or a freehold title subject to an annual charge which shall not be less than four or more than ten per cent. (as shall be settled by mutual agreement or arbitration every seven years) on the value of land (excluding all improvements) as appearing in the current valuation roll. Any improvements made on such land are to be forever free from rates whether other improvements in the town are rated or not.—F. W. L.

GERMANY

About the time that Henry George was rejoicing over the first limited edition of *Progress and Poverty*, one of his friends and disciples, C. D. F. Gütschow, undertook the heavy task of translating the great work into the German. This man's name deserves to be written high in the Single Taxer's Hall of Fame. To anyone who realizes the enormous mental drudgery required of the translator in subordinating his own mind to that of the author, and devotedly converting his thoughts and phrases into another tongue, the work of Gütschow, undertaken at a time when both author and movement were unknown, is a testimonial to the abiding faith animating those early followers of Henry George. Gütschow's faith was well founded, for he knew that his work would fall upon fertile ground. To this day, the original translation has its honored place in the library of every German Bodenreformer.

Like all Teutonic people, including the old Anglo-Saxons, the Germans had always regarded the land as an integral part of the nation, something that should not be treated as a merchantable commodity. This conception prevailed in Germany long after it had been obliterated in England by the Tudors, and the teachings of the Physiocrats found ready acceptance among the intellectuals of the time of Frederick the Great. With the period of Napoleon and the turbulent times which followed, the issue became confused amidst a maze of Roman law introduced by the Code Napoleon. In 1852, Karl Arnd wrote his *Natural Taxation*, and once more brought up the issue of "the land for the people." In 1860, Friedrich Held submitted a petition to the Prussian Legislature, urging the passage of a law to provide for "one single tax" based upon the rental value of the land. Though of course the efforts of Held were unavailing in this respect, he and his Radical Reform Society were responsible for convincing Bismarck of the efficacy of nationalizing the railroads.

After the death of Held, one of his associates, Dr. Theodore Stamm, organized the Society for Humanity, which, together with its leaders, forms a connecting link between the pre-Georgian and the modern land-reformers. Germany is the land of particularism, and the movement was long hampered by the conflict of individualistic ideas and ideals. Societies were constantly being started, whose membership was founded upon religious, non-religious or other equally extraneous qualifications, but always maintaining the Single Tax as the paramount issue.

Michael Flürscheim, the iron-master of Gagenau, founded the League for Land Ownership Reform in 1888. Flürscheim was associated with many business and professional men who joined his society and it soon became the leading Single Tax organization of Germany. Among its members was another wealthy manufacturer, Heinrich Freese, who became the president and leading spirit of the movement and is to this day a prominent member of the Bodenreformers.

The days of proselytizing zealotism passed on. The League suffered from natural attrition, it acquired a large deficit which some of the wealthier members funded, and the organization adjourned *sine die*. It had wasted its strength on utopian schemes, on internecine struggles with kindred societies and on purely academic discussion.

There followed two years of inaction, until, in 1898, the League of German Land-Reformers was started, and Adolph Damaschke became its President. Although its beginnings were painful and laborious, an event occurring at the same time soon attracted the attention of all thinking men to the idea of appropriating the economic rent to public uses. In 1897 the German Government had acquired the ninety-nine year lease of the Chinese concession at Kiauchau.¹ Everyone in the German realm was watching this new development with attentive pride. With its unusual success, came reports of its unique land system. The benefits of the new system were indisputable and it was exactly what the Bodenreformers had been agitating for these many years. Naturally, this practical demonstration of their theo-

¹See article on Kiauchau.

ries was received as an indorsement, and before long the membership of the League was growing by leaps and bounds. The League gained a valuable accessory when Dr. Schrameier returned from China in 1910.

The headquarters of the central body of the Bund Deutscher Bodenreformer is in its own building in Berlin. There are subordinate leagues in all of the principle cities and provinces. An ordinary membership costs six marks per annum and entitles the member to receive the semi-monthly organ, *Bodenreform*, as well as such pamphlets as are issued from time to time. A life membership costs one hundred marks, and has been an effective revenue getter. An honorary membership costs one thousand marks, and there are many who have had their names enrolled in the League's Roll of Honor. It costs something to be a Single Taxer in Germany, and the members value the privilege accordingly. The League also accepts corporate memberships, consisting of societies, non-socialist labor unions, and sometimes entire communities. Inclusive of the individuals in these corporate memberships, the league now has about two million followers.

As the organization is non-partisan its members are gathered from every political party except the Social Democrats, who are its most consistent and persistent opponents. The public officials are a powerful element in the membership, especially municipal officials, who realize at first hand the evils of the present system of land ownership. Another striking feature is the number of university professors who are Single Taxers. The absolute academic freedom prevailing in all of the German universities, affords the professors absolute liberty to pursue any beliefs their conscience dictates.

The platform is contained in a single sentence: "The Bund Deutscher Bodenreformer holds that land, being the basis of our national existence, should be subjected to a law which shall encourage its use for industry and dwellings, shall prevent its misuse, and shall render to the entire community those values which appertain to land, regardless of the activities of the individual."

The Bodenreformers accept entirely the economic principles formulated by Henry George. They hold that the Single Tax, as a means for appropriating the economic rent, is an ideal system and was advocated by George with particular reference to conditions in America, that he had no other country in mind and was in fact not particularly informed regarding conditions in other countries. Appropriating the economic rent being the fundamental object of land-reformers the world over, the means adopted to this end must be subject to domestic conditions. In this connection they do not favor land nationalization, except as it has been sporadically applied as a temporary measure in many communities.

They do not consider the tariff as a subject that should be included in their agitation, although nearly every one of the prominent members is a free trader. They regard it as impolitic to antagonize people and interests who might otherwise favor a reform of the land system, by injecting a question which is a correlated but not an essential feature of the land question.

Dr. Schrameier says: "The German Land-Reformers certainly know that the ultimate goal of their doctrine includes the abolition of protection. But so long as there are so very many questions which all may unite upon, why introduce a question which is not as yet ripe for discussion."

MORTGAGE CONDITIONS

The well-known attitude of the Bodenreformers with regard to the subject of mortgages is due to a condition which is probably more developed in Germany than elsewhere. Aside from the Astor Estate in New York, or the Field Estate in Chicago, land is pretty widely held in America; it is still possible to buy valuable sites. In England the reverse of this is true, and a prospective land user rarely buys, but usually leases a valuable site from one of the great land-holding noblemen. But in either case the Single Tax would be more readily applicable than in Germany, where land titles are in possession of a large number of owners, but land values held by a few mortgage banks and insurance companies. It is about as easy to execute a mortgage in Germany

as it is to secure a marriage license in New York, and it is a much simpler matter to foreclose on a delinquent mortgagee than it is to secure a divorce in Reno. Foreclosure automatically follows proof of delinquency. Therefore a mortgage is the safest sort of an investment and it is no uncommon practice to encumber property up to eighty and even ninety per cent. of its value. To apply the Single Tax under such conditions would result in a financial upheaval that would not readjust itself in a generation. To avoid such a catastrophe, the Bodenreformers propose a system of nationalizing mortgages through a bond issue, which shall be steadily amortized in the course of forty or fifty years.

The late Joseph Fels was one of the most energetic opponents of this plan when it was first brought to his notice, but after the matter had been analyzed for him, his keen business mind grasped the necessity of this proposal, and shortly before his death he made the statement that no doubt the Germans know better than we how our common aspirations could best be put into practice in Germany. Naturally the great mortgage loan banks are vigorously opposed to this plan, and they have paid the Bodenreformers the compliment of organizing an excellent fighting force to defeat it if possible, and have provided a corps of legal heavy-weights at its head. Monopolistic tactics are the same the world over.

THE INCREMENT TAX

The Bodenreformers have been successful in writing some of their principles on the statute books. The increment tax law is one of these. It provides that at any transfer of land, other than through inheritance from next of kin, the vendor must pay a proportion of the increased value to the treasury. Like all German taxes the principle of graduation is adopted. The rate varies according to the period since the last transfer (in no case more than a period of forty years), or the estimated value in 1876. Where a given increase has been arrived at during a short term, the rate is greater than if the same increase has been the result of a slow growth. The amount of the tax varies from five to thirty per cent. of the increment. The law was first adopted

by many of the cities, but in 1911 it became a national law, the cities receiving fifty per cent. of the returns, the State ten and the federal government forty. Its effects as an educational measure have hitherto been more valuable than its financial productiveness, but the latter increases every year. It is teaching the people to discriminate between land and improvement values, which are often confounded in popular opinion. It also brings into prominence the principle that the unearned increment of land rightfully belongs to the community which has created it.

The Erbbaurecht is a leasing system which, although long established in German law, has during the last twenty years been given a Single Tax application. According to the old Teutonic practice, much of the land of Germany is the property of the government. Nearly all forest reserves (privately owned forests are also under government control) and other extensive areas, besides, of course, the railroad rights of way, belong to the States. The municipalities also are large land-owners. The several municipalities comprising Greater Berlin own sufficient land on the outskirts of the city to furnish a population of fifteen millions with factory and residence sites. According to true German thoroughness, most of this area has been tentatively laid out for future settlement according to its best adaptation for industries, flat buildings or separate houses.

Berlin is no exception to the rule that metropolitan cities are not good examples of progressive radicalism. But Frankfurt, Dusseldorf, Jena and other cities have taken advantage of the Erbbaurecht to put the land in their possession to the best possible use. The best example of these is the little city of Ulm on the Danube, in Wurtemberg, whose Oberburgermeister, Heinrich von Wagner, is one of the leading spirits in the Bodenreform. Before he was appointed Burgermeister in 1891, he had been chief of police, and had seen something of the misery due to bad or insufficient housing. Accordingly when he became the chief magistrate, he set about remedying the evil by the best means in his power. At first two-family houses with a garden were built on the city's land; latterly these have been abandoned for one-

family cottages of four or five rooms. These are sold to workmen, mostly at cost for land and improvements, the buyer usually being required to advance from five to ten per cent. of the cost, which is rarely over seven thousand marks. The buyer must pay the interest at from 3 to $3\frac{1}{2}$ per cent. and the taxes, besides a small amortization charge. The low interest rate is possible because the city borrows the money at this rate from the State insurance and the municipal savings banks. The city retains the right of eminent domain in that it may buy back the houses at cost, plus improvements and minus deterioration any time within one hundred years. This absolutely prevents land speculation and the result has been that while Ulm has doubled its population in the last quarter century and taxes on gross sales of business have almost trebled during the same period, while improvement assessments have increased at the same rate, yet during the last ten years since the working of the Erbbaurecht has become extensive enough to make itself felt, the land-value assessments have shown a steady decline.

SOME LEADING BODENREFORMERS

The President of the League and its leading spirit since 1898; is Adolph W. F. Damaschke. He was born in Berlin, Sept. 24, 1865, the son of a cabinet-maker and therefore what we would term, "a man of the people," were its equivalent ever used in Germany. He attended the public schools and the Berlin Normal School, and from 1886 to 1896, he pursued his profession as school teacher. In the early nineties his natural interest in economics and the strong personality of Heinrich Freese, made a Single Taxer of him and he devoted much of his spare time during the following years to propagandizing with tongue and pen. In 1896 he was offered the editorship of a radical daily at Kiel and he touchingly describes the great struggle between love and duty when he thus came to the parting of the ways. A public school teacher is very much of a personality in German society and to abandon his profession meant a social as well as financial sacrifice. After two years at Kiel he returned to Berlin and helped organize the present League, of which he was the

first and the only president. He is a clear thinker, a lucid and forceful writer, although he does not suppress a strain of quiet humor in the driest of economic thesis. Besides being the popular orator of the movement, he is a shrewd and practical organizer and much of the League's success is due to his talents. He is the author of numerous books and pamphlets on public questions, among which are: *Bodenreform*, *Grundsetzlich und geschichtlich*, the popular text book of the movement; *Kamerun oder Kaiutschou*, *Alkohol u Volksschuler und Leherr und der Soziale Frage*, *Geschichte der National Oekonomie*, *Volkztumliche Redekunst*, etc.

Sitting in his office one day, he happened to pull out a drawer and a peculiar leather case came to view. "What is that, an order?" I asked. "Yes, a Red Eagle." (The highest order given to a private citizen). Then rather sheepishly, as though he had no business with such a decoration, he added; "You see it came by registered mail one day and my wife took it in." Yet although I have never seen him wear the order, he would not be human did he not prize it highly, for it means an acknowledgment from the State that he has done good work.

Dr. Ludwig Wilhelm Schrameier, Actual Privy Counselor to the Admiralty, was born at Essen, October 2, 1859. He attended the Gymnasium at Essen and the Universities at Bonn, Liepzig and Berlin, acquiring the doctorate in theology, philology and law. He spent a good many years in France and England, and besides learning to speak and write both of these languages perfectly he is conversant with about every tongue in the Orient, including Chinese. He was in China for twenty-five years, at first in the diplomatic service, and on the acquisition of Kiauchau was transferred to the admiralty. His knowledge of Chinese made him the logical man to take care of the fiscal affairs of the colony. It soon was apparent that the Chinese landowners had organized a ring to hold up the price of land; and incidentally the German government. They were asking ten times what the land had previously brought in this isolated village of fishermen's huts. Another difficulty was that the administration needed revenues and there was nothing to tax. Then it was

that the Great Idea burst in upon Dr. Schrameier just as Henry George tells of its being suddenly revealed to him. The increased value of the land was entirely due to the activities of the German Government and the potential city and wharves which were to arise on this location. Ergo, as the government had created the values, let the government benefit from them. At that time he had never heard of Henry George or the Single Tax. In 1910 he returned to Germany and he has since played a leading part in the organization, whose growth he had unconsciously stimulated. He is a Vice-President of the League and one of its ablest speakers. He comes nearer to our ideas of an orator than do most German public speakers and for this reason he is always assured a large and appreciative audience. Besides his land-reform work, he gets out the monthly organ of the German-Chinese Alliance and has written many works on Oriental affairs, both political and economic, and *Die Bodenreformbewegung in Deutschland*. He is a member of the German Oriental Society and of the Geographical Society.

Professor Dr. Adolph Wagner, Actual Privy Counselor, Excellency, and member of the Prussian Upper House, is the Nestor of the movement. He was born at Erlangen, March 3, 1835, attended the Universities of Gottingen and Heidelberg and in 1858 was appointed Instructor of Political Economy in the Commercial Academy of Vienna. Those were troublous days, politically, and so when the independent young man stated in a speech at Munich that in his opinion, Prussia was the logical leader of a United Germany, he soon found cause to transfer his activities to other fields. He became successively Instructor at the Commercial Continuation Institute at Hamburg, Professor at the German University in Dorpat, Kurland, and at Freiburg. He became Professor of Political Economy at the University of Berlin in 1870, specializing in banking and finance, and has occupied that chair until this Winter when owing to advancing age and failing sight he retired as Professor Emeritus. In politics he is a conservative and a supporter of protection for agricultural industries. Yet he holds with Henry George on the land question and has always advocated his doctrines in the

seminary and the public rostrum. He has written many books against socialism and on economics, being considered the most eminent authority on the latter subject. His reputation is not entirely domestic, for he is Honorary Doctor of the Universities of Wisconsin, Dublin, Czernowitz, Christiana, Rome, Milan and Naples, a member of the Austrian Academy of Sciences and of the Royal Statistical Society of London.

The old gentleman once visited his friend and successor Professor Imhoff at Freiburg. The latter is one of the best known Single Taxers in Thuringia and he said to Dr. Wagner: "What an unjust world this is! For your advocacy of land reform, the government has just dubbed you Excellenz, while for the same sort of activities the folks around here call me Pestilenz."

Did space permit there are many other men in the movement well deserving of mention. There is Herr Pohlman-Hohenaspe, who became a Single Taxer in the wilds of Brazil and is an expert in statistics; Professor Erman of Munster, one of the lights of the legal profession and of the land reform movement as well; Professor Rein of Jena, and Herr Wiesner of Hamburg, a young man but promising. These and hundreds of others are helping to bear the international standard of human justice to its ultimate victory.—J. D.

THE SINGLE TAX IN KIAUCHAU

At the seventh international congress of geographers in Berlin, Poultney Bigelow, representing the United States, said:

"Kiauchau deserves in a very high degree the widest attention of the general public. Here for the first time the principles of land values taxation are applied in practice. And these much opposed doctrines have been brought into operation under the jurisdiction and authority of the German Empire. This fact has an importance that cannot yet be appreciated. In the whole world—in America, in Australia, in England, and wherever the doctrines of Henry George are understood—the development of this colony is watched with the keenest interest."

Almost cotemporaneous with the formulation of the programme of the Land Reform League of Germany was made the first trial of the Single Tax in the German colony of Kiauchau, China,

in 1898. When Kiauchau was acquired in 1897 the German authorities, with their usual thoroughness, forbade every change of landownership without official consent, and began to buy up the land. In a few short months a considerable part of the protectorate was the property of the German government. The principles on which the future land and taxation policies were to be formed were the subject of a memorial prepared by Dr. W. Schrameier, the Land Commissioner of Kiauchau. It was stated in this memorial that the action of the government at the time of occupation made it possible for the community to participate in the "unearned increment" of land values. It then went on to say:

"To keep up the value of land it will be necessary to bring so much land as is required by actual need from time to time into the market at public auction. The land shall be sold to the highest bidder. The purpose for which the land is to be used is to be communicated beforehand to the government which will reserve a certain liberty in assigning the lots. Every subsequent re-sale of land must, before it can become legal, be communicated to the government. The seller must report to the government the price which has been offered him and which he is willing to accept. The government has the right of pre-emption at this price in every case. If it does not exercise this right a transfer duty is levied on the transaction and in the case of an increased value a further tax of $33\frac{1}{3}\%$ of the increase in value (after deduction of all capital expenditure set off against the enhanced value) is levied. The Government reserves the right to see the building obligation carried out according to the original propositions and statements as agreed to. Land that has been in the same occupation for a period of 25 years will be subject to valuation and in the event of an increase in land value a tax of $33\frac{1}{3}\%$ on the increase will be levied."

In another paragraph it is stated that:

"The reason for this measure is that the prices offered at the first sales are not normal prices representing the true value of the land. By means of these proposals the Government secures a share in the future unearned increment without invading the rights of private property."

This was a characteristic German way of doing the thing, but it will be observed that the principle is not obscured. That

the object sought was realized is confirmed in the official White Book on Kiauchau for 1906. It is characterized the development of conditions in the following words:

"The share of the Government of $33\frac{1}{8}\%$ in the unearned increment, realized at the sales of land in private hands, has not yet been of any considerable amount. This is principally due to the fact that changes of ownership of land are, on the whole, comparatively few, because people willing to buy can still get the needed land in sufficient quantities from the Government. So far it can be affirmed that the land policy of the Government has accomplished the end and aim before it, that is, to prevent unwholesome speculation in land and to keep a sufficient area of land as the property of the community, in order to supply, eventually, the growing needs of the settlers without artificially enhancing the value of the land."

In no instance has the administration made a free gift of the land to the first comer. The fact that the area of Kiauchau was ceded by China to the German Empire in March, 1898, in order to establish a commercial settlement, caused at once an enormous increase in the value of the land, and a further increase was foreseen to be certain with the execution of the contemplated railway and harbor facilities. The Government bought the land from the Chinese peasants at the prices ruling before the time of the occupation, while the prices realized at the first auction were in keeping with the expenditure and intentions of the Government for the future development of the settlement. The Government, of one mind in this case with the body of the inhabitants of the colony, all of whom are benefited, did not fare badly with this policy.

In an elaborate article dealing with Kiauchau contributed to the *Single Tax Review*, Dr. Schrameier wrote as follows:¹

"In the before mentioned White Book of 1906, the fact is emphasized that while the proceeds of the unearned increment tax have until now been very small, a boom in land has been prevented also, and the real purpose in introducing the unearned increment tax (this was the claim made in the memorial of 1898) was accomplished if the tax had never, indeed, been levied. The real object of the provisions was not so much to fill the treasury

¹*Single Tax Review* (Special Number for Germany), of March-April, 1912

of the Government as to prevent abuses in dealing with land. The Land Ordinance of Kiauchau, therefore, is not to be considered as a purely revenue producing policy; its true character is social rather than financial; it results in a policy that, besides applying the Single Tax system upon land value, aims at a practical solution of the highly important question of town extension. It deals with the urban land question fully, and this question is solved in the way that the Government buys up all the land that may be used for urban purposes to dispose of it to settlers under such conditions as will safeguard the welfare of the community in the future. The extension of the city is therefore carried out by the Government and regulated by law.

"It is of this that German Land Reformers have availed themselves in pointing to the example of Kiauchau to further their cause. One does not even need to accept the general proposition, established at Kiauchau, and at least not yet disproved, that all speculation ought to be considered as evil, in order to admit, nevertheless, that apart from speculation guided by far seeing economic principles, opening up vast tracts of land to use, there is another kind of speculation which, without involving the owning of real estate, profits, by a reckless system of hypothetical credit. Such speculation strives to enhance the price of land, and as land is necessary for all housing purposes it causes higher rents. But higher rents mean increased hours of labor or a lowered standard of living, and often both.

"The movement of the industrious and working classes against the owners of the soil, which has been established in different forms in different countries, though they all aim at the same end, is no longer to be hindered. It turns from the city, with the house famine and housing misery, to the country and attacks the accumulation of landed property in the hands of the few, which is injuring and hampering economic development."

TAXATION OF THE UNEARNED INCREMENT IN GERMAN CITIES

The Kiauchau experiment led to the emulation by many German cities in the adoption of the "unearned increment tax," in Frankfort-am-Main in 1904,¹ then in other cities, Essen,

¹The Frankfort increment tax or transfer tax as it is called, passed in 1904, provides that every change of ownership not depending upon inheritance is subject to a city tax of 2 per cent. of its value and if, since the last preceeding transfer, less than five years has elapsed in the case of improved or ten years in the case of unimproved property and there has been an increase of value of 30 per cent. of the former price, a supplement is imposed as follows: Five per

Leipsig, Hamburg, Breslau, and lastly in Berlin in 1910. Berlin at first rejected the measure at the dictates of the landowners. In all these cities the system is a complicated one. The law as applied—a tax on the profits of the sale of land over the previous sale of the same parcel—has but little if any social value.²

If a man buys a piece of land at 5,000 marks, makes improvements of 80,000 marks and sells it for 110,000 marks, his profit of 25,000 marks is called the "unearned increment," and is the basis of the tax known as the *zuwachsteuer*. The question of how far back the starting point should be fixed remains undetermined, some cities going no further back than the date of the passage of the ordinance. The average city adopting this system has taken 1885 as a starting point, because of the enormous increase in values during the ensuing decade. The tax varies, too, with the amount of increase between sales. If the land does not change hands a revaluation is held just the same and a tax is imposed upon any increase which may have taken place.

The tendency as well as the intention has been to tax unimproved higher than improved property. What this law has done, after all, is to familiarize the German people with a species of land tax, to accentuate in small measure the general truth that the people should share in the land values, and to equalize in some degree at least the burdens of local revenue. It is asserted by German land reformers that it has a tendency to discourage land speculation, but more than a "tendency" can hardly be claimed for it.

cent. for an increase up to 35 per cent., 6 per cent. for an increase up to 40 per cent., and so on, 1 per cent. being added for every 5 per cent. increase until the total tax reaches 25 per cent. Expenses for permanent improvements are deducted, also loss of interest and cost of maintenance for unimproved property, less the income therefrom. If property is sold by a mortgagee, however, the tax is collectable only out of the excess. In case of exchange of property it is levied only once and upon that piece whose value is increased the most.—WILLIAM DUDLEY FOULKE.

²For fuller details of the law see H. M. Haertel, *Digest of the German Increment Tax*. Also Seligman's *Essays on Taxation*. But the most complete account of these German increment taxes is to be found in Yetta Scheffel's *The Taxation of Land Values*.

The number of communities in Germany which have adopted the unearned increment tax is estimated as high as 600. In the year 1911 the Reichstag passed a general increment tax law for State and Imperial purposes by a vote of 199 to 93.

Land reformers of Germany regard the land question in the Empire as differing materially from the land question in other countries. Almost the entire area of land in Germany is burdened by mortgages;¹ therefore a large part of ground rent goes not to the owners of land but to the holders of mortgages. Many of the land reformers of Germany therefore advocate the nationalization of mortgages. But these agree that the end in view is to "Save the rent for Society."²—EDITOR.

¹The yearly increase of mortgages in Prussia alone in 1909 was 15,000,000 pounds. It is calculated that there are at least sixty billion of marks invested in land mortgages throughout the Empire.

²Dr. Karl Tolenske, University of Halle, in Saxony, in *Single Tax Review* (Special Number for Germany) for March-April, 1912.

SWITZERLAND

Not until the publication of *Progress and Poverty* by Henry George was there any thought given in Switzerland to the connection between access to the land and the living conditions of the lower classes of the nation. The theory that wherever access to the land is withheld from use, there poverty increases as industry progresses—this theory was accepted by the first Swiss organization, "Freiland" (Free Land), which was formed in 1889.

At first it proceeded to objects which required immediate consideration. It submitted in 1890 to the federal council a petition for the monopolizing of the water power. The federal council received the petition in a friendly spirit, but it was not granted and that only in a measure, until 18 years later, when in 1908, the right to the Swiss water power was transferred to the council.

On account of the hostile attitude assumed by those who were of consequence in economic affairs and the indifference of the public, the Swiss organization "Freiland" was disbanded, about the middle of the 90's of the last century.

The appearance in the winter of 1910 of my novel, *Heaven on Earth*, and the delivering of several lectures by me at the instigation of Joseph Fels in Thun and Bern, gave an impetus to a revival of the Bodenreform organization, at first in Canton Bern, with which the old guard of "Freiland" of Bern—or what was left of it—became affiliated. The Bern organization expanded in 1914 to a Swiss Society for Land Reform. As such it made its first public appearance in 1915 in that it proposed to the federal council the buying up of the debt-burdened landed estates by a loan fund.

This suggestion was not accepted by the council because, according to its opinion, it would have opened the way to a paper-currency regime. So the society, as such, let the matter

drop. Some individual members, however, were not satisfied with the reply of the council, and having in the meantime accepted the teaching of the economist Silvio Gesell, who at the time had settled in Canton Neuenburg, they came to the conclusion that paper money, especially such as in the course of time lost in value to a great degree, was in fact the only means of exchange which could prevent a crisis. Therefore, the Society for Land and Tax Reform ought also to protest against the gold standard. The majority of the members were not satisfied with this; if for no other reason than the one that the goal which we had set for ourselves would require our entire strength and time. So the followers of Silvio Gesell founded another "Free Land and Free Money League," which should not be confused with our society for Land and Tax Reform.

Meanwhile, the latter had lost no time. While its predecessor of Bern in 1913 had requested the council to adopt self-government in matters of community taxation, in the Spring of 1916 the Swiss society proposed to the same council the adoption of self-valuation of land sites, (with a penalty of loss of ownership for a valuation less than the real one) into what at that time was only an outline of the proposed law, or at any rate, into the taxation laws. This proposition originated with our tireless Bodenreform veteran, "Grossrat" Sam Scherz, of Bern.

We should have been glad to have based this self-valuation upon the real principle of Bodenreform, i.e., the separation of the value of the bare land and of the value of buildings and improvements. But since our tax laws do not recognize such a separation and our so-called progressive politicians are swayed by the opinions of the ignorant majority, they decided against the principle.

In Switzerland Bodenreform measures have been instituted in but few localities: In the cities of Basel, Zurich and Bern the right to build on small estates; in Zurich and Winterthur the tax according to common value, but only up to 1 promille; in some canton banks the cancelling of mortgages, which, since it is not obligatory, has not prevented at least one-half of Swiss lands from being mortgaged. The new Swiss civil law, by

separating land and buildings, has at least laid the foundation for the taxation of bare land.

But we are still far from carrying out the ideas of Henry George. The proposed innovations of Damaschke are not very familiar to our statesmen, not to speak of the less educated among the people.

Who is to blame for this? Those who have taken upon themselves the task of educating the people. If the daily press of Switzerland takes little notice of Bodenreform endeavors, it may be traced to two causes: first, to the previously mentioned hostile stand of the party politician; secondly, for the reason that among the Swiss Bodenreformers there is no one who can give his entire time to the work of winning them over. We cannot afford an organ of our own. Then, too, we say to ourselves, that we are more apt to get our Bodenreform ideas to the public, if we write for newspapers and magazines which do not bear the stamp of Bodenreform character.

In this instance, the elegantly gotten up monthly magazine *Schweizerland*, just entering upon its third year, which is open to the most extreme views, deserves special praiseworthy mention. In the February number of 1916 several questions of Bodenreform were minutely discussed.

As it is treated by the daily press, so also does science in Switzerland treat Bodenreform as a step-child. I know of only three instructors in the Swiss high schools who in their lectures or writings do justice to it: Prof. Dr. Max Weyerman, in Bern; Dr. Eugene Grossman, in Zurich, and Privatdozent Dr. Otto Karmin, in Geneva. Besides these, three private instructors may be mentioned, those who by means of their excellent writings have done much towards enlightenment on the subject: Dr. Ed. Näf in Wolfhausen (Zurich), H. Schatzman and Gustave Büscher in Zurich.

More surprising than the small number of scientific men who openly declare themselves for Bodenreform, is that so few of the common school teachers concern themselves with such questions. With these the cause is not academic learning which blinds them to the conditions and necessities of the present; nor

is it lack of instruction, since they have access to lectures and may be supplied with literature on the subject of Boden and Tax Reform, free of charge; but rather is it the spirit of the herd and the disinclination to be made uncomfortable.

The moral indignation of an Arnold Böcklin and a Gottfried Keller against land speculation has, unfortunately, not been transmitted to all of our modern Swiss masters of art, whose motto, alas, is only too often, *non olet*. Still there are among them a few who perceive the necessary relation between the earth and man, and battle against all things which would separate him from his source of life. I am not thinking now of the rather large number of poets who describe the charm of country life, but of two, who in their novels actually scourge speculation: Felix Moschlin of Arosa, in his novel *Amerika-Johann*, and George Reymond of Vevey, in his *Ferrevenale*.

Both are still young and of promising talent. May the poets in this way enlighten the people concerning their real interests, when those who pose as their leaders fail to do their duty.—E. L.

DENMARK

The first introduction of the Single Tax philosophy in Denmark was made by a Norwegian disciple of Henry George, Mr. V. Ullman.

As early as 1886 *Progress and Poverty* was translated and published in Norway by Mr. V. Ullman. At about the same time two other books of Henry George were translated into the Norwegian language: *Social Problems*, 1886; *Protection or Free Trade*, 1887.

It was not, however, in Norway but in Denmark that the teachings of Henry George became most generally known and understood; and till this day the "philosophy of freedom" has found deeper root in Denmark than in the two other Scandinavian countries.

During the Fall of 1887 Mr. Ullman lectured in Denmark and was the cause of much attention being drawn to the ideas of Henry George. But the Danes soon got Single Tax champions of their own. First among these was Jakob E. Lange, now lecturer at the agricultural school at Dalum, near Odense. Mr. Lange was in England in 1886, studying botany and gardening at Kew, London. When there he became acquainted with Henry George's teachings. He read *Progress and Poverty* and soon came to the conviction that he had in this book met with the real solution of the social problem. Mr. Lange has ever since been one of the most able and staunch advocates of the Single Tax philosophy in Scandinavia.

To propagate the new thought in Denmark Mr. Lange wrote some articles on "Freedom and Equality" in a widely circulated weekly paper which called forth a debate continued, partly in this paper, partly in other papers, during the following two or three years.

Some adherents of the cause had been won, and they did a good deal of work, but the Danish people at large did not under-

stand the new teachings and generally were of the opinion that the Single Tax system would be particularly injurious to the farmers.

A Social Reform Union—the first Henry George league in Scandinavia—was organized in 1889. Among the leaders were Mr. V. Ullman, Norway; Mr. Jakob E. Lange and Mr. Fernando Linderberg, Denmark. Several public meetings were held, and good work was done; but it was impossible to turn the current in our direction. The first Single Tax movement in Denmark came to a decline and seemed to be almost dormant for some years. However, the seed had been sown, and it had in it the germinative force of truth.

At the close of the nineteenth century and during the first two years of this century our politicians were busy considering and discussing tax reform—but not at all on land value taxation lines. Very few of them, if any, had the slightest idea of Henry George's teachings, and to get any real tax reform for the benefit of the common people was well nigh impossible.

We had in Denmark some very old land taxes, or rather, land value taxes, on agricultural land. These taxes were founded on ancient and inadequate valuations and, consequently, needed regulation and correction. Yet, imperfect though they were, these old taxes constituted what remained of the people's right to their native land.

Neither the politicians, nor the landowners, nor anybody else, except a few scattered "Georgians," seemed to have any understanding of this fact. By far the greater part of the peasantry considered the land taxes to be very unjust and raised up a movement for their abolition. Being the most powerful class throughout the country and controlling the majority in parliament, they at last succeeded in getting rid of the land taxes, and a new system of taxation was introduced in the tax laws of 1903.

In consequence of these laws the old land taxes are to be abolished by gradual steps in the course of 20 years, and to be replaced partly by real estate taxes (*i.e.*, taxes on land and improvements thereon), partly by taxes on capital, and partly by progressive income taxes.

This "tax reform" of 1903 was to the immediate benefit of the landowners, particularly the greater ones, who reaped a large profit through enhanced prices. But all other people will, of course, have to pay so much more for access to land.

The share in the soil of their native country, which the Danish people at large had hitherto possessed, thus passed into the hands of private individuals, while the burden of taxation was placed much more heavily upon labor and industry. But during the time of discussion preceding the carrying out of the new tax laws, and still more during the following years, when the reform was practically applied and began to show its bad effects, the people became generally interested in, and came to a fuller understanding of taxation questions.

The time had come when people in Denmark were more willing to listen to the advocates of land value taxation, and also more able to understand their teachings. "Georgism" began to be discussed through the country, at meetings and in newspapers.

In 1902 the few scattered disciples of Henry George had met in Copenhagen and organized a new Henry George League. This union has now about 3,000 members. But a far greater number of our people are to be reckoned among the land value taxationists, particularly many small freeholders or cottagers—the "husmænd."

On November 8, 1902, a meeting of delegates, representing some 100 associations of husmænd, was held at Köge, and here, after an address by Mr. S. Berthelsen, solicitor of Höng, the so-called Köge Resolution was unanimously adopted. The most important items of this resolution are as follows:

"The progress and well-being of the husmænd as a class cannot be based on contributions from the State or from other classes of society, nor on similar exceptional measures, but only on the full acknowledgment through legislation of their equal rights with the rest of the community.

"Consequently the husmænd do not claim any special favors for themselves from taxation legislation.

"The husmænd demand the abolition, as soon as possible, of all duties and taxes on articles of consumption, such as food, clothes, furniture, buildings, live stock, implements, engines, raw materials, and the earnings of labor, because all such burdens oppress labor and small homes.

"The husmænd demand, that public expenses be met by a tax on land values, which are not due to the labor of the individual, but to the growth and progress of the community. Such burdens will not oppress labor; on the contrary, they will make land cheap and thus make it easier for each man to get his own home."

During the following years this resolution was adopted by the husmænd associations in almost all parts of the country and is to-day acknowledged by them as their taxation programme.

The pushing forward of the land value taxation movement among the Danish husmænd is due to Mr. S. Berthelsen, of Høng, more than to any other single person. He has been indefatigably propagating the cause at meetings and in newspapers throughout the country. Since 1904 Mr. Berthelsen has been the editor of the Single Tax paper *Ret* (Justice), which has been widely circulated.

In 1910 and following years the land values taxation movement in Denmark got a new impetus from Mr. Joseph Fels, who generously contributed to the cause in our little country. By the aid of the Fels Fund it was possible for several years to greatly extend and intensify the land value taxation propaganda. Literature was widely circulated and hundreds of addresses were delivered all over the country.

In June, 1910, Mr. Fels visited Denmark. On this occasion he proposed that a central office for Single Tax propaganda in Denmark be started in Copenhagen, and he offered to give \$2,500 for that purpose. The office was opened November, 1910, and has been maintained ever since.

In 1910 a new organization of farm laborers was formed, with a programme mainly on Single Tax principles. This organization, however, had to contend with another farm laborers' organization of a more socialistic character and for a few years nothing of consequence resulted. Much work was done to unite our forces and at last, in 1913, a joint organization was formed, the programme of which contains the following planks:

(a) Acknowledgment of the people's right to the land.

(b) The value of land which is due to the growth and industry of the community must, by taxation, as soon as possible, be made public property. At the same time the taxes levied on labor and

consumption, on food, clothes, buildings and ground-improvements, are to be abolished.

Almost all the industrial laborers in our cities and towns have hitherto been social democrats of the Marxian school, and have been in strong opposition to "Georgism." But things seem to indicate that they will not maintain this position. Many a social democrat among the leaders, has begun to advocate land value taxation; even the leading party paper, *Social Demokraten*, now recommends some land value taxation measures.

In 1913 a Christian association (Kristelig-socialt Forbund) was formed with the object of "seeking Christianity's claim of righteousness more clearly recognized and more fully accomplished in society." This association, in its programme, demands:

(a) Equal rights for all and the abolition of all privileges.

(b) The application of socially created values to the requirements of State and municipalities.

(c) The taking control or possession by State or municipality of such large industries as develop into monopolies.

Much good I think is to be expected from this new and increasing association. It has already done excellent propaganda work. Among its leaders are several well known Single Taxers.

For years the party politicians in Denmark ignored the land value taxation movement, and politics and legislation were absolutely destitute of Single Tax principles. But things altered, especially when the most numerous class of voters, the husmænd, began to show more decidedly their inclination towards land value taxation principles. The time had come when the "democratic" parties found it wise to insert some small Single Tax planks in their political platforms. The beginning was made by the radical liberal party at a meeting of delegates in Odense, 1905, where the programme of this party was agreed on. It contains the following declaration:

"The real estate duty is to be converted under consideration of the principles of land value taxation. When public enterprises produce an increment of the ground value, the municipality and State must be secured a share in such increment."

In January, 1907, the minister of traffic, S. Högsboro, intro-

duced bills relating to the building of new railroads and the widening of the harbor at Esbjerg. In these bills he proposed to levy a continual increment duty on the land benefited by those works. The bills were afterwards carried, the railroad bill, however, not without heavy mutilations.

In October, 1909, the radical liberal party, although representing but a minority of the voters, was called upon to form a new ministry. This ministry, being in power till June, 1910, made the first legislative steps in the direction of land value taxation. In accordance with the party programme the minister of the interior, Dr. P. Munch, tried to stop the fatal conversion of the old land duties into real estate duties; but he did not succeed. Mr. Munch also moved that a separate land valuation be made in certain parts of the country for experimental purposes, so as to anticipate the effects of a general land value duty. The conservative and moderate-liberal parties vigorously opposed the motion; but, nevertheless, it was carried. The trial valuation was made in 1911. Although the work was carried out in somewhat heterogeneous manner, the result was very interesting and, as a whole, rather significant; yet it must be considered insufficient to show, definitely, the effects of a general land value taxation.

After a general parliamentary election had taken place, the radical-liberal party again came to power (June, 1913). The main object of the new government was the introduction of a new constitution, in which they succeeded June 5, 1915. The most important provision in this "freest constitution in the world" is that equal suffrage is given to all, men and women. It may now be said that with this instrument whenever the Danish people make up their minds they can have the Single Tax.

In October, 1913, the government proposed a bill providing for a new general real estate assessment with separate land valuation. This very important proposal caused much debate, both in parliament and in the country. The bill was unanimously adopted by the lower house (Folketinget), but was rejected by the conservatives in the upper house (Landstinget), and did not become law.

In November, 1915, the government again placed the (1913) real estate assessment bill before the parliament. The land valuation provisions of the bill caused a very interesting debate which showed how the irresistible power of the land value taxation movement had grown. Just before Christmas (1915) the bill was carried in both houses. The first general separate land valuation in Denmark took place in 1916.

The Single Tax system is being persistently discussed throughout our country, both in newspapers and at meetings. Single Tax literature has been abundantly circulated among the people. Henry George's books, *The Condition of Labor* and *Progress and Poverty* have been translated into Danish by our veteran Single Tax champion, Mr. Jakob E. Lange, who has also written an excellent book on political economy. *Protection or Free Trade* has been translated into Danish by the writer.

Since 1910 a fortnightly paper, *Den lige Vej* (The Straight Way), has been published by our Henry George League. For the last three years this paper has been edited by Mr. S. N. Starcke, Ph.D., M.P. The President of the Danish Henry George League is Mr. Jakob E. Lange; the Secretary, Mrs. S. Björner.

—P. L.

SWEDEN

Progress and Poverty was first translated into Swedish in 1886 by Concordia Lofving and H. Wennerstrom, and was followed in 1888 by a translation of *Social Problems*, by K. Frolander. The movement for social reform was further strengthened by writings of native authors, among whom was August Strindberg. The Georgian theory was controverted in learned essays from Prof. D. Davidson, of Upsala and Prof. E. P. Fahlbeck, of Lund.

But spite of opposition the movement advanced step by step in the thought of a growing number of people. In Parliament all measures looking in our direction were constantly rejected, though an increasing interest began to be manifested by the Liberals and Social Democarts.

Henry George's *Protection or Free Trade* was also translated by Concordia Lofving. Had the teachings of this work been earlier apprehended it might have prevented the customs imposts of 1891, which were a new burden on the working classes, the nature of which is now coming to be perceived, in part at least.

In 1907 the mayor of Stockholm, Mr. Carl Lindhagen, who is also a member of Parliament, introduced into the House a bill providing for a rational system of taxation of land values. Each year he has presented bills of a similar nature, but without success. To create a public sentiment for these measures organizations for land reforms were begun, and in these movements were active such men as G. H. von Koch, Baron Erik Pahnstjerna, Gustuf Cassel and others. Mr. Johan Hansson, who has lately been the recipient of all the criticism directed against the Georgites, was active in all these movements to arouse public interest in the land question. His pen was constantly active. He published a translation of George's *Answer to the Pope* and original works on "The Homestead Question," "Taxation of Land Values Instead of the Taxation of Alcohol," "Wars and the Battles of Money-Powers Throughout the World,"

and a number of tracts and periodicals and newspaper contributions.

In 1909 was formed through the influence and labors of Mr. Hansson, after his return from a two years' study of social conditions in foreign countries, the League of Economic Freedom. The new league was formed strictly for propaganda purposes, its educational programme consisting of the study of social economy and social ethics, the socializing of land values and the abolition of taxes, especially customs taxes, opposition to all forms of private monopoly, and finally aids to co-operation.

Since 1909 the Swedish movement was aided by the late Joseph Fels, and under his inspiring example much useful work was undertaken. Mr. and Mrs. Fels made a number of visits to the cities of Scandinavian countries, Mr. Fels making many speeches. In 1909 Mr. Hansson began the publication of a monthly periodical to popularize the new movement. A few years later he also published new editions of *Progress and Poverty* and *Protection or Free Trade*.

In 1911 was opened headquarters in Stockholm to bring the work of the League more prominently before the public, and in the same year letters of inquiry were addressed to every candidate for parliament to ascertain his views on our economic reform. Of 285 answers received 189 were sympathetic, 38 negative and 58 hesitating or indifferent.

Mr. Lindhagen continued to present bills in parliament embodying our reforms. He was finally rewarded by the recommendation from the then Liberal government for the appointment of a commission to devise methods for a rational system of the taxation of land values. The work came, like so much else, to an abrupt ending by the pressing need of providing for the defences of the country in the breaking out of the war in 1914.

No mention of individuals prominent in the work of popularizing the teachings of Henry George would be complete without a brief recital of the self-sacrificing labors of Dr. Karl Elander, of Goteborg. In order to render the agitation more effective he started a newspaper in Goteborg and brought out a daily paper at Stockholm in 1913 in which he strongly supported the move-

ment. He also served the League faithfully as its president. His journalistic venture ending disastrously he lost a great part of his property, and was obliged to transfer the paper to other hands.

In 1914 the League for Economic Freedom was merged into a new organization, the League of the Democracy of Justice, which adopted as its working programme economic freedom on the basis of moral justice. In it were included women's rights and the insistence that in dealings with foreign governments the problems arising be settled by international arbitration determined by an international order of justice, in which free trade between the nations is recognized as a cardinal principle. In January, 1915, three members of the League of the Democracy of Justice, Messrs. Lindhagen, Hansson, and Ekenstrom met with others at the Hague the representatives from the neutral nations and submitted their programme for the consideration of Mr. Ford's neutral conference.

The League for the Democracy of Justice, which now has a branch organization in Denmark, met in Lund, on October 28 and 29, 1916. Of the two hundred present, twenty were teachers in Scandinavian universities. The conference was characterized by great enthusiasm.—N. E.

NORWAY

In 1885 *Progress and Poverty* was translated into Norwegian by Mr. V. Ullman, then school teacher, and later politician and president of the parliament. Mr. Ullman was a fervent believer in the Single Tax and delivered many lectures on the doctrines of Henry George in Norway and Denmark. A monthly periodical edited by Mr. Ullman became the organ of the Single Tax movement in both countries, with Jakob E. Lange as the Danish editor. This paper suspended after a short career. In 1893 Mr. Ullman visited America and made the acquaintance of Henry George. In 1907 he addressed the Workingmen's League, which conference by resolution urged Parliament to give power to the local bodies to provide land for cheap homes, to acquire unused land, and to take up the taxation of unearned increment of land, especially mines and waterfalls.

In the same year was formed the Henry George League, with Mr. Ullman as president. The League published *Retfærd* (Justice) from 1908 as a monthly publication. In 1910 Mr. Ullman passed away, and the journal suspended until revived in 1912 with the help of Mr. Joseph Fels, who visited Norway in June of that year. The League was reorganized with this declaration of policy:

"The object of the League is that the law and taxation regarding land shall be such that the land may be easily accessible to the users, that speculation in its selling value may be excluded and that the unearned value may be secured for the people."

In 1907 Mr. H. E. Berner, then burgomaster in Christiana, (not a Single Taxer but interested in the taxation of land values) drafted a bill providing a municipal tax on the values of land, but this bill was never brought before Parliament.

In the country districts is an old municipal land tax according to principles laid down in a statute of 1818. It is a tax on the unimproved value of the land, but as the last assessment was from

1863 to 1884, it furnishes but imperfect evidence of present values. The Parliament in 1910 asked the government to appoint a commission to examine the case for amending this law. Burgomaster Berner was a member of this commission which drafted two bills, one providing for periodical assessments, the other for a tax on the unearned increment. These bills have not yet been brought before Parliament.

In the towns of Norway the land tax, according to a statute of 1882, was laid on the capital value of the land and improvements taken together, but a statute of 1912 gives the town councils the power to assess the land separately and to tax the land at a higher rate than the improvements. The capital, Christiana, previously taxed the undeveloped land at a lower rate than the developed, but has since remedied this defect.

It should be remembered that in Norway the land taxes go only to the municipalities and counties, not to the State, and even the main revenues of the municipalities are derived from an income tax. The principle of taxing the unimproved value of the land is old in Norway and the conditions afford a promising base for the further development of such taxation. But this development is sure to meet a stubborn resistance, as soon as the many peasant owners begin to believe their "rights" endangered. And that class is politically the most powerful in Norway.—S. W.

SPAIN

The doctrine that the earth is by natural law common property has had in Spain a long and distinguished pedigree. The regime of common property in land was the one which prevailed before the Roman domination; it was the latter which brought about a change of view upon the subject, and included land in the category of private property.

But all along voices have been raised in insistence upon justice, and though of some authors no record has survived, or none but such as it would now be difficult to search out, there remain excellent traces of those who, during a period which began with the Sixteenth century have, in unbroken succession, voiced the demand for the restoration to the people of their common inheritance.

Juan Luis Vives in 1526; Father Mariana, of the Society of Jesus, in 1599; Pedro de Valencia in 1600; Caxa de Leruela in 1631; Florridablanca in 1770; Campomanes in 1771; Martinez Marina in 1820, and Alvaro Flores Estrada in 1839, proclaimed this truth in their numerous works and formed the Spanish economic school whose tendency was to subordinate private land-ownership to the general welfare and enable all men to utilize the land.

The following four forms of policy are those in which this tendency of this Spanish economic school has been manifested: (1) The common use of pastures by the entire vicinage, and periodical allotment of agricultural land; (2) The establishment of permanent "fee" holdings for cultivators, granted by the State on a fixed rent; (3) The recognition of the private ownership of land, but subject to the obligation of the owner to let the land on permanent leases on a rent ("tenant right"); (4) The nationalization of the land, compensation being made to the owners.

Thus, then, it appears that the Spanish economists, while in some degree realizing the cause of our social ills, did not discover

the true remedy. They considered the land exclusively with reference to its relation to agriculture, which in their time was the predominant form of productive industry. No one of them considered it in its true economic character, namely, the aggregate of natural elements constituting the planet on which we live.

Nevertheless, the manifestation of such tendencies by the school in question gave promise that, if further developed and realized, they would have arrived at the true doctrines of economic justice. But in the actual event they sank into oblivion when tyranny succeeded liberty.

Under Feudalism almost all the land of Spain had become private property; most of it belonged to "communities," churches and monasteries; the rest was in the hands of the nobles and "gentlemen of lineage." That is to say, the owners of the land were the titled gentry, counts, dukes, and marquesses, and the Church and the religious fraternities.

By four laws enacted in 1811, 1813, 1823, and 1837, the nation acquired the jurisdictional and feudal powers of the former lords, together with the privileges and incidents, personal or real, connected therewith; but that other right of the landlords, the right to collect rent, was not taken from them. Hence it is that the people of entire towns continue paying to-day to the Duke of Medinaceli, the Marquess of Alcañices, and other aristocrats, a sort of ground rent for their holdings, exactly as such rents were formerly paid to the ancestors of these beneficiaries; exactly, in other words, as though we were still living in the twelfth and thirteenth centuries. This goes on, in spite of the revolutions we have had!

Since the time mentioned, the land question seems to have been but little considered by anyone. When from time to time the crises have brought great suffering, a clamor has been raised, but no remedy has been suggested other than that "production be increased" (!), until very recently, through the progress of the George movement throughout the world, and the agitation promoted by the Single Tax League, the conspiracy of silence has broken down in Spain, with the result that today the taxation of

land values is one of the policies of the Liberal party, the leader of which, the Count of Romanones, in a recent speech, declared himself as follows:

"Taxation reform has become necessary in order to secure our financial and economic independence by affording to the provinces and municipalities revenues of their own to provide for their local needs. The economic and administrative programmes now being undertaken impose upon Governments very costly tasks; consequently, the time has come to concentrate all the attention, all the activity, and all the energy of the Parliament and the National Executive upon these fundamental reforms, which are more necessary, more beneficial, more indispensable for the welfare of the country, than the endless and futile discussions upon those so-called political subjects, raising questions of merely partisan doctrine, which excite passion and waste valuable time. To-day the democratic aspirations of the country reach much farther, political transformations occur with a rapidity which leaves us dazed; that which yesterday was deemed an ultimate aim, for the attainment of which no sacrifice should be withheld, to-day hardly interests us. A change is taking place in our politics, which is like that which is taking place in literature: The works which made our grandparents weep, and wrung their very heart-strings, we listen to with icy indifference; they seem to us so childish as to be ridiculous. The great political ideals for which our ancestors shed their blood, do not seem to us to be important enough to justify any anxiety or eagerness to obtain them. The liberalism of our day must fight its battle in a different field, and that battle must be a harder and more decisive one. We of today must attack with all our energy the great problems of tax reform, of labor-law reform, and who knows whether we may not have to deal with those fundamental laws upon which rights which we deemed sacred have heretofore been based. It is high time that governments, regardless of the wishes and aspirations of the nation, advised and incited by its social organs, by its co-operating interests, by the spokesmen of Parliament, of property, of industry, of commerce, of navigation, of whatever elements are constituents of the national interest, shall develop with vigor, with expedition, with energy, whatever policies may be necessary to the securing of our financial and economic independence. This is what the Liberal party proposes to do, and these brief sentences embody an outline of what may constitute its economic and administrative programme."

Don Melquiades Alvarez, leader of the Reform party, in a speech at Granada said, among other things:

"Furthermore, we distinguish between taxes upon wealth created by labor, and taxes upon wealth which is not produced by labor. The former, relatively light, the latter, relatively heavy, because wealth is a collective social product and in part belongs to the community; so that by taxation society but recovers something it has itself developed and produced. Again, we distinguish between wealth which is productive and wealth which is unproductive. This is what Lloyd George did in England. There are men who have immense parks used only for hunting, for fishing, for pleasure; which are wholly unproductive. In Spain there are men who own large estates (*latifundios*) which produce nothing, which are wholly unutilized. On the other hand, there are people who invest their money in wealth which is productive, wealth-creating; who develop the industry and commerce of the country. These we must tax less; the former more. Why? Because that is the just thing to do, and, besides, by doing this we make productive wealth which would else be unproductive."

The Liberal party is at present in power, and it may be hoped that it will carry out in practice the policy proclaimed by its leader, by again introducing in Parliament a Bill presented by it when it was last in office, by which the basis of the land tax was changed so as to make the land values, as distinguished from improvements, the subject of assessment.

The President of the Supreme Tribunal, in a solemn assembly for the ceremonial opening of the courts, made an address in which he demonstrated the urgent need in our jurisprudence, of revising the concept of property in land. Similar ideas were urged in a speech made during the present year by a Minister in the Conservative cabinet which has recently retired.

The foregoing details give some idea of the way in which the George reform is making its way in Spain; a result contributed to by the work of the "Liga Española para el Impuesto Unico" (the Spanish League for the Single Tax), which has been working with ever increasing efficiency since 1911. It has caused to be put in actual circulation 3,000 copies of the excellent Spanish translation of *Progress and Poverty*, which had lain forgotten in Barcelona since 1892.—A. A.

SOUTH AMERICA

For reasons easy to understand, South America has maintained closer intellectual relations with France than with Great Britain. The great Canning's diplomacy gave South America her political independence. British capital founded her material prosperity. But France has been her tutor. The advanced economic thinkers of France left their impress on the best Argentine minds. The Physiocrats, to whom the almost purely political turn of the French Revolution was a great disappointment, seem to have placed their last hopes on the New World, and particularly on the Argentines. Surely it would be possible, they thought, to save for this new people that free access to the bounties of nature denied to the older civilizations.

The first Argentine President, Bernardino Rivadavia, had studied in Paris. His tutor was a French economist; and he enjoyed the friendship of the foremost men of that day. It is therefore hardly astonishing that the Lafayette who offered his sword to Washington, should with his pen serve Rivadavia, encouraging him in his great venture of nationalizing in perpetuity the land of the new country.

EARLY AGRARIAN LEGISLATION

By Rivadavia's agrarian law of 1826, the sale of public land was forbidden. Its use was granted only on short term leases, the rent being 8% and 4% upon their value, for pastoral and agricultural lands respectively. The lease, while only for 20 years, could be renewed indefinitely, becoming in fact the property of the lessee. The re-valuation was to be made every 10 years.

This agrarian law was in force, with excellent results, for two years, until the outbreak of a revolution that drove Rivadavia from power. His successor abolished the law and gave over the public land to private purchase and speculation, with all the evils

that follow in their train. Rivadavia had hoped to create a society tax-free and founded on equal rights to the soil. But, outside of the small band of intellectuals who surrounded him, he was misunderstood and unsupported; and an unequalled opportunity was thus lost to Argentine democracy. No wonder that Moreno, one of the founders of the Argentine Republic, wrote bitterly: "The Revolution of May (1810) was for the sole benefit of some 20,000 landowners."

A SOUTH AMERICAN HENRY GEORGE

Some 50 years later, a remarkable vindication of Rivadavia's Agrarian Law was published by Dr. Andres Lamas, a Montevidean lawyer, diplomat, economist and historian, one of the clearest and most versatile minds that South America has produced. His work, *The Agrarian Legislation of Rivadavia*, published in 1882, in apparent ignorance of the writings of Henry George, deserves to be called the "*Progress and Poverty*" of South America. "By the law of Rivadavia," he says, "the public land became a free instrument in the hands of labor. Exacting nothing for its use, the State only absorbed in rent the increment which, independently of private capital and labor, was produced by social progress, *i. e.*, collective capital and labor. The land would be devoted to labor and production, because the rent would be too heavy for whoever, holding land, did not make it produce."

This remarkable book of Dr. Andres Lamas met with no favor at the time. It was published in pamphlet form, in two parts, at separate intervals, and only rare copies can now be found. Dr. Lamas was ill when it was published, and died a few years afterwards, in 1891. Had his health permitted, he would probably not have allowed his work to be killed by a conspiracy of silence.

This silence was broken, however, by a brilliant compatriot, Dr. Manuel Herrera y Reissig, whose work *El Impuesto Territorial* (The Land Tax) in 1913, paid due tribute to the genius of Andres Lamas and challenged successfully the intellectual world to discuss the principles for which Rivadavia had staked his

political career and which Lamas had expounded in clear and concise language and with irrefutable logic.

The book of Dr. Manuel Herrera y Reissig has been widely read all over South America and in Spain. It resuscitated the memory of Lamas and revived interest in Rivadavia's forgotten initiative. Following upon the impulse given by this book, the Argentine Single Tax League (Liga Argentina para el Impuesto Unico, Avenida de Mayo 1297, Buenos Aires) was founded, June 14, 1914; and amongst the earliest literature it published was the first pamphlet of Lamas, above mentioned. A complete edition is now in preparation.

The book of Dr. Manuel Herrera y Reissig gave to the Single Tax cause in South America the local tradition upon which to base its appeal to the people. It stirred racial pride. It gave the certificate of Latin-American origin to a movement which aimed at overturning the disastrous economic system inherited from Europe. The Single Tax ceased to be an imported idea. In the publications of the Argentine S. T. League, the portraits of Rivadavia, Lamas and Henry George stand side by side.

It would be unjust not to mention in this connection earlier publications by Dr. Felix Vitale, the most important of which, *Pobreza y Descontento* (Poverty and Discontent), was issued under the pseudonym of Zoydes, in Spain. It is probably the best popular presentation of Henry George's philosophy yet published in Spanish. In Spain it converted to the cause the brilliant intellect of Baldomero Argente, and in South America the no less able mind of Dr. Herrera y Reissig.

But the dynamic influence, the sword cast into the scale, which definitely decided the extraordinary Single Tax organized movement now spreading over South America, was undoubtedly the eloquent, stimulating and convincing work of Dr. Manuel Herrera y Reissig.

RECENT ACTIVITIES IN ARGENTINE

The epithet "extraordinary" is justified if we consider the following record of progress in a brief period of two years, 1914-1916:

After a preliminary grouping of elements of representation and prestige, the Argentine Single Tax League was formally inaugurated in the National Atheneum, Buenos Aires, June 14, 1914. The actual President is Dr. Jose Bianco, Director of the National Property Register, Ex-Senator and Professor of Economics in the University of Buenos Aires. As an authority on the movement of real estate, mortgages, etc. in the Republic he is unrivalled. He is supported by a strong directorate, representative of business, manufacturing, professional and property interests.

The League has also a Consulting Committee composed at present of the following well-known constitutional lawyers: Dr. Eleodoro Labos (Ex-Minister of Agriculture, Professor of Agrarian Legislation in the University of Buenos Aires, and author of works on economic subjects. His phrase: "The land tax is paid by the plus value which it creates," has been widely quoted); Dr. Rodolfo Rivarola (great constitutional lawyer, proprietor and director of the *Review of Political Sciences*); Dr. Norberto Piñero (Ex-Minister of Finance. Author of the land valuation Act of 1906, which separated land and improvement values in Buenos Aires and the national territories, with the declared object of shifting the taxes from improvements to land values); Dr. Alejandro Ruza (Legal Councillor to the National Department of Labor, Professor in the Faculty of Law in the University of Buenos Aires, where he is an indefatigable advocate of the Single Tax, and has promoted the topic as a thesis for the Doctorate degree); Dr. Enrique Del Valle Iberlucea (constitutional lawyer; Socialist Senator; Director of University Extension Movement; Professor of History at the University of Buenos Aires; an ardent Georgist); Dr. Teodoro Becie (brilliant young lawyer, whose Doctorate thesis on *Increment Value Taxation* was awarded the Gold Medal, a book repeatedly cited in Congress as an authoritative presentation of the Argentine economic position).

Associated with the League are, at the moment of writing, fourteen Associations: The Syndical Chamber of Commerce; the Argentine Industrial Union; the National Centre of Engineers; the Committee of Commerce of the Provincia of Buenos Aires;

the Master Bakers' Association; the Cart Owners' Union; the Hotel and Restaurant Mutual Association; the Argentine Agrarian Federation; and numerous grocers' associations, the whole representing many hundreds of millions of capital.

Local leagues are springing up all over the country. Already strong and influential ones exist in the cities of La Plata and Cordoba, smaller ones in Rosario, Bahia Blanca, Santa Fe, Realico, San Juan and Junin.

The Argentine has two Socialist parties, one the International, the other the Argentine. Both parties put Land Value Taxation as first plank in their platform, and preach it in their organs *La Vanguardia* and *La Accion*, and in their open-air propaganda.

Many newspapers and journals now devote space to the Single Tax; but the most active, persistent and effective of them all is a weekly, *Mundo Argentino*, of 140,000 circulation. It has made the doctrine of the Single Tax popularly known all over the Argentine, Paraguay and Uruguay. Its Director, Constancio C. Vigil, is a clear-headed, fervent Single Taxer, with a singularly lucid and attractive literary gift.

In the death of the late Argentine president, Dr. Roque Saenz Peña, the Single Tax cause lost a strong friend. His economic faith may be condensed in one remarkable sentence of his:

"I consider the desideratum of a good administration to be the simplification of the tax regime, until the Single Tax is reached, which, resting on the land as the generating trunk of wealth, would leave free the branches of all industries to grow without that pruning by the State, which bleeds twice over the same trunk."

The sentiment that inspires the Argentine Single Tax movement is that expressed by Rivadavia himself:

"South America has said she wishes to be free, and she will be free without a doubt: the effort of a numerous people, the energy of its inhabitants and the political state of Europe substantiate the necessity of this event.

"We shall triumph over the last remnant of our oppressors; yes, we shall triumph. But after having beaten them, there still remains for us the triumph over ourselves. We have still to

destroy the darkness in which we have been involved for more than three centuries; we have still to know what we are, what we have and what we ought to acquire; finally, we have still to shake off the load of prejudices and follies which we received in heritage."

STEPS TOWARD FREE TRADE

The economic science of Europe has lost its prestige. At a moment when Europe is contemplating an economic war to perpetuate the present alienation of its people, the Argentine concludes a Free Trade treaty with its one-time enemy, Paraguay; and its diplomacy is endeavoring to conclude similar treaties with its neighbors, Chile, Bolivia, Brazil and Uruguay, which will mean Free Trade over a territory larger than all Europe.

Parallel with this diplomatic movement for economic emancipation is the campaign of an influential international association, the South American Single Tax Committee (Comite Sudamericano para el Impuesto Unico, Avenida de Mayo 1297, Buenos Aires) which, while including Continental Free Trade in its programme, aims also at Free Production. Dr. Felix Vitale, already mentioned, is President. The local branches are already working in the Argentine, Uruguay, Brazil, Paraguay, Bolivia and Peru.

The methods of this Committee are somewhat different from those of the more popularly constituted Argentine League. It aims almost exclusively to influence university and official circles. In Bolivia, for instance, the leaders of all the political parties are enlisted in the Committee, thus practically removing the reform from party opposition. Perhaps as a consequence of this, an admirable measure applying the Single Tax system to all the Municipalities of the Republic, has recently received the unanimous endorsement of the Parliamentary Reporting Committee. The Report concludes with a sentiment, with which all Georgists will agree:

"Truth to tell, up to now it appears as if the producer who increases the national wealth, investing capital and expending his own energies, is condemned, for that very effort, to pay higher

taxes, when it should be quite the reverse. The State should reward the man who produces two crops where only one was produced before, and relieve of all classes of taxes the man who develops wealth on a greater scale, and only require from him the payment of a tax upon the proportion of land he occupies."

In Peru a very strong local Committee has recently been formed and a measure introduced into Congress on the lines of that of Bolivia.

SINGLE TAX IN BRAZIL

In Brazil the Committee includes a long list of the most eminent men in that country, and great progress is being made. The Single Tax has already been adopted in Nictheroy, the capital of the State of Rio de Janeiro. The Mayor, Dr. Octavio de Souza Carneiro, is a convinced disciple of Henry George, as may be seen from the following extract from his message:

"It appears to me that the fundamental idea, the platform of a great national party, can to-day only be that of the radical reform of our stifling tax regime. This revision must be guided by the principles of the Single Tax of Henry George. This is not the place to expound the fundamental ideas of this doctrine nor to exalt its high social and moral beauty. But even considered only under its exclusively economic aspect, it is admirable. Whereas every other tax is always parasitic and injurious to the constitution of private wealth, the Single Tax upon land values is a stimulating factor in the community's economy, an active agent of the public wealth."

The city of Rio de Janeiro, capital of Brazil, under its new Mayor, Dr. Sodre Acevedo, and with the unanimous vote of the City Council, has undertaken a revaluation of the city land and the serious study of the reform of its revenue system on the lines of the Single Tax.

The city and State of Sao Paulo, Brazil, are agitating simultaneously the reform of their tax system. The city has made a preliminary land valuation to provide the basis for discussion. The State sent a delegate to Buenos Aires to make an exhaustive study of the property valuation and registration methods

employed in Buenos Aires, Cordoba and Uruguay. The report of the delegate Dr. Luis Silveira, confidential secretary of the President, is a very full and complete document. It recommends the Uruguayan system of valuation and advances the conclusion that, on that basis the Single Tax is practicable, beneficial and urgent.

In Uruguay, as is generally known, a pure land value tax now forms a substantial part of the national revenue.

In Paraguay, an accumulative tax on large estates already exists.

It may be as well to state here that all the Argentine provinces and territories already possess a real estate valuation and the municipalities a pretty complete autonomy in taxation. The road is therefore clear for the reform as far as the provinces and municipalities are concerned. The debate is now proceeding as to the constitutionality of a National Land Tax over the whole Republic, *i. e.*, within the autonomous provinces, since in the National Territories and the Federal Capital such a tax already exists, constituting about 2 per cent. of the national revenue.

In the Argentine, the city of Jujuy, capital of the Province of the same name, has this year voted the Single Tax regime. The Province of Cordoba draws over 50% of its revenue from a pure land tax in the rural districts, and now proposes to make application of the same system to its revenues derived from the urban districts.

In the course of his message in support of this reform, the governor, Dr. R. J. Carcano, says:

"The tax on land, apart from improvements and taking into account only its real value, and what it is susceptible of producing, establishing as a fair basis for assessment the different sections or zones in which it is situated, removes the inconveniences above noted, facilitates the collection of revenue, assures equity in the tax and promotes efficiently urban progress and adornment."—R. B.

CHINA

The ancient land regulations of China were a crude form of Single Tax. This land system was well described by Mencius. There was free trade and at the borders of the country there were officers to examine and keep the enemy out. As Mencius says, "Formerly those officers were meant to keep out the plunderer but now they are the plunderers." This refers to the establishment of tariffs at a later day. There was a site tax and no tax on buildings or personal property. The land of the country was divided in the form of a square, making eight outer squares and one central square. Eight families held the outer squares and together worked the central square for the government tax. In the cities there was a similar division into nine squares, but the central square was for the temples, the upper central for the palace and government buildings, while the six squares at the sides were for residence and the lower central for the market and business sites. In the country the farms were of about 15 acres and in the city each family occupied about $\frac{3}{4}$ acres of residence site. There was a fine or tax on a man who did not use his farm or site.

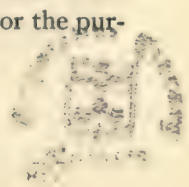
This ancient system was destroyed before the Christian era, and private property in land became general. As certain writers say, "The rich added field to field and the poor had not land enough to stand an awl upon." Many great Chinese writers bemoan the doing away of this ancient method. Some of them tried to restore it, but all failed, and China has to this day a powerful landlord or patrician class that will fight like the similar class in Rome fought against the Gracchi. Sun Yat Sen was a later Gracchus and he has failed absolutely.

About half of the farmers are tenants, as are also a very much larger percentage of towns people. Some of the farmers owning their farms have too small holdings to support the family. Usually the rent is a share of the produce, from three-tenths of

the crop to six-tenths. All the famines I have seen in China have fallen on the tenant farmers. Those owning land in any quantity can tide themselves through the half year of dearth. The tenant farmer is cursed by the parasite that drains his life blood. Terrible pestilence always follows the famine (typhus fever and relapsing fever), carried by lice and ticks. The famine is due to one parasite and the pestilence to another. In famine years the landlords and rice merchants have great stores of grain and keep a corner on it though the people may be starving. The famine area is about two miles from Nanking North. It is about the size of England. Famine relief has passed through an evolution. First the funds supplied by the Am. Red Cross, *New York Herald*, the London Mansion House Fund and others were doled out to the people, but the landlords and rice merchants raised the price of grain and largely reaped the benefit. In later famines grain was shipped into the district to break the market, and that successfully, but some missionaries refused to do famine relief work as free grain was pauperizing and degrading the poor sufferers. Then work was given on dykes and drains, but this was a benefit to the landlord and not to the tenant. The missionaries in a big meeting took steps to oust the old famine committee and put in a more efficient one that would look into the economic conditions.

The result was that the Am. Red Cross sent an engineer to survey the region. Money is to be borrowed, the water level lowered and this famine area saved. The expense is to be met by taxing the increased value of the land due to the improvements. Col. Siebert is one of the engineers to be employed. The war has temporarily stopped this good work; but I feel sure it will be carried out. Land subject to flooding is worth say \$10 an acre, land above the flood line is worth \$100. \$90 an acre will be a nice sum to make the improvements.

When Sun Yat Sen was President I had talks with him, and though he claimed to be a Socialist the land question was uppermost in his mind. Prof. Bailie and I visited him to talk over the idea of immediately using waste land for the poor, and he told us that any land that was no man's land could be used for the pur-



pose. He gave us letters to his Minister of Agriculture, Mr. Chang Chien, and later he, his Prime Minister Generalissimo and other leaders signed their names to a document endorsing the colonization scheme. Later I went to Peking and secured Yuen Shi Kai and his followers. Mr. Chang Chien is the President and it is a growing concern under the able promotion of Prof. Bailie. Prof. Bailie and I made the constitution that is endorsed by the government. The tenants are allotted land and at the end of three years pay rent that goes partly as the government tax and partly for community expenses. I look on this as a temporary expedient, for a heavy tax on land values would open the land and give the people a chance without any effort at colonization. I suggested this to Chang Chien but he said the proposal was to confiscate any man's land if he would not improve it. He does not understand the full force of the tax on land values. He is reading however. China is in about the condition of Persia when Alexander the Great changed the political situation. Prof. Bailie has about 80 families on the waste land and most of them are doing well and I believe paying back loans made to them in starting.

China has enormous mineral wealth and we advocate securing all the royalties for public uses. Unfortunately the foreign powers have secured concessions that will rob the Chinese of these natural rights. About 20 years ago I memorialized our viceroy telling him to look out for mining and railway concessions. I suggested to him that the old plan of robbing the weaker nations was to come in and swallow them whole, or to rob everything in sight, but that the modern more fully evolutionized plan was to imitate the spider in laying out nets and webs and when the fly fell in to absorb all the dainty portions of his anatomy. Of course, the semblance of a fly is left in the web. When the foreign powers are through stealing all the mining rights, railway franchises, China will be like the poor fly, nothing but the shell being left. Japan is doing more effectual plundering than the foreign powers did. She is an apt disciple in these lines. Now that the European powers are with tooth and claw rending one another for similar plunder the Japanese have things

all their own way. Poor China through her inefficiency is having a worse Alexander than the Persians. Alexander got the stored up wealth but did not get much of a hold on the wealth under ground. The Chinese are an able people and their laborers are the best in the world, but under present prospects they will be hewers of wood and drawers of water for the despised foreign devil.

During the revolutionary time I wrote articles warning the rulers against accumulating debts and getting into the toils of the money-lending class. China is like a rich man who smokes his opium pipe, gambles and borrows money for his pleasures and takes a mortgage on his lands and property. By and by there comes the time of foreclosing, and all the land and property belong to the money-lender. China like Japan is becoming a deeply involved debtor nation. There is hope for Japan if she steals all the natural wealth of China and has the Chinese labor produce for her. She can shift her debts over onto China. If China had a real democratic party there would be some hope; but alas! the democrats when in power did a good deal of stealing. If they had put up a better thing when they had the chance the people would desire them back.

When the revolutionists were in power the Socialists developed very rapidly under the patronage of Sun Yat Sen. Mr. Kiang Kan Ruo was their leader and they used to hold great meetings in Nanking, Shanghai, Wuhu and other places. They were Socialists of the Platonic type, with free love, atheism and all the rest. They frequently asked me to speak at their big rallies, and while I emphatically opposed their atheism, free love and community-raised children my advocacy of Single Tax was pleasing to them. I tried to get them to give up their wild programme which would overturn everything the people hold dear and propagate the Single Tax as the natural development of the ancient land system of China; but they seemed to desire to break with the past and have an entirely new thing. They read my translations of Henry George and other Single Tax literature, and propagated Single Tax in their own papers. After the establishment of the dictatorship the Socialists were suppressed.

Nearly 20 years ago I translated *Progress and Poverty* and it was published by the Christian Literature Society. It is not a literal translation, as the illustrations could not be understood by the Chinese. Quotations were made from Chinese history and literature, and the illustrations are Chinese. Sun Yat Sen said that I should have made a literal translation and asked why I left out the illustrations from Robinson Crusoe. I said that the Chinese did not know the story of Crusoe. He asked why I did not tell the story. It is an adapted translation aiming to give the ideas of the book as if written by a Chinaman. Dr. Fryer, of California State University, congratulated me on so successfully clothing my books in Chinese dress. If the Chinese had followed the books published by the Christian Literature Society, including the best histories and biographies of the West, and not tried to follow the French Revolutionists and Socialists and Agnostics they would have had a greater chance of success. If they had studied my translation of Green's *History of the English People* and Motley's *Dutch Republic* rather than Rousseau they might have built up more than they destroyed.

I translated Spencer's *Social Statics* and Patrick Edw. Dove's *Theory of Human Progression*. For a few years Mr. Fels helped me to the sum of \$1500. With this I put out the third edition of *Progress and Poverty* and distributed it among the Chinese Senate and Assembly and leaders. I also published papers which I bound in pamphlet form. One series shows the History of Land Value Taxes for over 2000 years from the time of Mencius. Another has translations of articles showing the development of the Single Tax in recent times. I also translated and published *Protection or Free Trade*. It is a small edition, but I got very influential people to read it. I have written and continue to write Single Tax articles for dailies and magazines, both Chinese and English.

Some years ago Mr. Karl Schmidt boarded with me and I got him to read *Progress and Poverty*. He was a friend of Dr. Schrameier, first governor of Kiauchau, and got him to adopt it to prevent speculators destroying the colony. There is a tax of 6% on the value of the land and no tax on improvements; the experiment was a success. Dr. Schrameier has since devoted his life to propagating the movement in Germany.—W. E. M.

HISTORICAL—ADDENDA

In other countries than those noted under preceding headings the Single Tax, through the teachings of its advocates, while failing to influence legislation, has nevertheless in many cases permeated public thought or secured distinguished converts. In Japan Charles E. Garst, while working as a missionary, became interested in the Single Tax through reading *Progress and Poverty*. He set to work doing what he could to influence public opinion. Many distinguished Japanese became favorably inclined to the doctrine through his teachings. On the day of his death the *Japan Daily Mail* came out with a strong article on the Single Tax. This paper at the time urged that Japan hasten to adopt the Single Tax "rather than the illogical, uneconomical and demoralizing system now unhappily pursued in Europe and America." It may be that the work of Charles E. Garst, devoted servant of Christianity and kindly, high-minded gentleman, for economic justice, has found somewhere disciples who will carry forward the doctrine of economic righteousness. But the way of freedom in a country where royalty is accounted divine is a tortuous and difficult one, and there is at present no visible sign in Japan that her feet are set in the right path.

In France there is no Single Tax movement deserving of the name. For some time a paper was printed in Paris by M. Georges Darien in advocacy of our principles, but this admirable little journal came to an end with the war that has engulfed so much of promise for the economic betterment of the nations.

One often hears of France as preeminently the land of happy farmers, of independent husbandmen, of the "morcellement," where every family is rich in its way, etc. But what are the facts? The giving of the land to the peasants at the time of the Revolution was a delusion. Today the peasants possess less than one-twelfth of the French soil. Out of 49,000,000 hectares they occupy less than 4,000,000 hectares. There is no country in the

world which has more to hope from the adoption of the Single Tax.

In Austria-Hungary, with land monopoly and the alienation of the common lands, the pinch of poverty has been severely felt. With perhaps the most fertile soil in Europe its average yield of crops per acre is rather less than that of any country of the same area. There has been a quiet agitation for land reform, in which the advocacy of the Single Tax has not been unheard. A translation of *Progress and Poverty* into Hungarian has been made by Robert Braun, now a lieutenant in the Austrian service, whose visit to America a few years ago is pleasantly remembered by many Single Taxers in New York and other cities.

Victoria, the one Australian division not treated in this work, is behind the others in the progress made, probably because Victoria prior to the Federation was a protectionist colony. But the Single Tax movement has an active Land Value League with headquarters at the London House, Melbourne. The League publishes a monthly paper, *Progress*, at the same address.

The first association in Victoria that tried to effect reforms in the system of land tenure and taxation was founded in 1872 by William Hutchinson Gresham, a ship chandler of Sanridge (now Port Melbourne), who based the principles of the League on the teachings of John Stuart Mill. The circular announcement of its formation declared that "The land is the inalienable property of the inhabitants of every country throughout all generations." It declared for "The gradual abolition of all indirect taxes whatsoever. The revenue of the State to be derived solely from the rental of the land." Mr. Gresham was drowned a few years later. Advocates of the taxation of land values should hold his name in high esteem. In 1877 a Land Tax Act was passed by the government of Mr. Berry, afterwards Sir Graham Berry, against the fiercest opposition. It continued in force until superseded by the Land Act of 1910. It applied, however, only to country lands of a certain area and value.

In 1889 the first Single Tax Society was organized. Among the original members was Mr. John Brunton who had been a member

of the League organized by Mr. Gresham in 1872. It had been formed in anticipation of the visit of Mr. George to Australia.

The movement in Victoria owes much to Max Hirsch,¹ whose *Democracy versus Socialism* is one of the best known, and certainly one of the most powerful and searching examinations of the tenets of socialism from the standpoint of the Single Tax. To John S. Higgs, of Echuca, is due the honor of forming the first Single Tax League in Victoria.

In 1910 the Watt (State) government passed a Land Tax Act imposing a tax of $\frac{1}{2}$ penny in the £, from which the revenue derived in 1910 amounted to £210,640. In 1914 an Act was passed to give Municipal Councils the option to exempt improvements from local rating. This was to become operative on a day to be proclaimed by the Governor in Council upon his being satisfied that valuations of land made by assessors under the Act of 1910 were available for adoption. The government up to the present has not made them available.

In March, 1912, Melbourne was the convention seat of an important two days conference of Single Taxers of Australia. Among the delegates were E. J. Craigie, of Adelaide, and A. G. Huie, of Sydney.

Though Victoria may be considered one of the most backward States of the Commonwealth in a democratic sense, it has yet something to show for the labors of as devoted a band of Single Taxers as can be found anywhere.

Though Russia was the home of Count Leo Tolstoy, whose acceptance of the Henry George philosophy was proclaimed to the world, there is no movement which can properly be characterized as Single Tax in that country. A translation of *Progress and Poverty* has nevertheless appeared from the pen of Mr. Nicolaïff, and thousands of tracts containing translations of the writings of Henry George have been distributed among the peasants.

There is, however, a land reform movement which is not confined to the liberals and radicals, but is so strong that it has found lodgment even among the conservatives. A few years

¹See appendix for Max Hirsch.

ago Count Heyden, the then leader of the conservative party in the Douma, announced himself as in agreement with the demand to expropriate the Crown, State, Church and private lands to satisfy the land hunger of the peasants.

In Natal Henry Ancketill has done much to keep the movement alive. For years he was the foremost advocate of our cause. He was in early life a member of the Royal Navy. He came to New York, worked on the *Standard*, and was one of the earliest members of the Anti-Poverty Society. He left this country for Natal, and was soon after elected as one of the members for Durban to the Legislative Assembly of Natal, which seat he resigned in 1905.—EDITOR.

FISCAL PROBLEMS

BRIEF STATEMENT OF SINGLE TAX PHILOSOPHY

Men have a right to land because they cannot live without it and because no man made it. It is a free gift of nature, like air, like sunshine. Men ought not to be compelled to pay other men for its use. It is, if you please, a natural right, because arising out of the nature of man, or if you do not like the term, an equal right, equal in that it should be shared alike. This is no new discovery, for it is lamely and imperfectly recognized by primitive man (in the rude forms of early land communism) and lamely and imperfectly by all civilized communities (in laws of "eminent domain" and similar powers exercised by the State over land). It is recognized by such widely differing minds as Gregory the Great and Thomas Paine (the religious and the rationalistic), Blackstone and Carlyle (the legal and the imaginative). All points of view include more or less dimly this conception of the peculiar nature of land as the inheritance of the human race, and not a proper subject for barter and sale.

This is the philosophy, the principle. The end to be sought is the establishment of the principle—equal right to land in practice. We cannot divide the land—that is impossible. We do not need to nationalize it—that is, to take it over and rent it out, since this would entail needless difficulty. We could do this, but there is a better method.

The principle, which no man can successfully refute or deny even to himself, having been stated, we come now to the method, the Single Tax, the taking of the annual rent of land—what it is worth each year for use—by governmental agency, and the payment out of this fund for those functions which are supported

and carried on in common—maintenance of highways, police and fire protection, public lighting, schools, etc. Now if the value of land were like other values this would not be a good method for the end in view. That is, if a man could take a plot of land as he takes a piece of wood, and fashioning it for use as a commodity give it a value by his labor, there would be no special reason for taxing it at a higher rate than other things, or singling it out from other taxable objects. But land, without the effort of the individual, grows in value with the community's growth, and by what the community does in the way of public improvements. This value of land is a value of community advantage, and the price asked for a piece of land by the owner is the price of community advantage. This advantage may be an excess of production over other and poorer land determined by natural fertility (farm land) or nearness to market or more populous avenues for shopping, or proximity to financial mart, shipping or railroad point (business centers), or because of superior fashionable attractiveness, (residential centers). But all these advantages are social, community-made, not a product of labor, and in the price asked for its sale or use, a manifestation of community-made value. Now in a sense the value of everything may be ascribed to the presence of a community, with an important difference. Land differs in this, that neither in itself nor in its value is it the product of labor, for labor cannot produce more land in answer to demand, but can produce more houses and food and clothing, whence it arises that these things cost less where population is great or increasing, and land is the only thing that costs more.

To tax this land at its true value is to equalize all people-made advantages (which in their manifestation as value attach only to land), and thus secure to every man that equal right to land which has been contended for at the outset of this definition.

From this reform flow many incidental benefits—greater simplicity of government, greater certainty and economy in taxation, and increased revenues.

But its greatest benefit will be in the abolition of involuntary poverty and the rise of a new civilization. It is not fair to the

reader of a definition to urge this larger conclusion, the knowledge of which can come only from a fuller investigation and the dawning upon his apprehension of the light of the new vision. But this conclusion follows as certainly as do the various steps of reasoning which we have endeavored to keep before the reader in this purely elementary definition.—EDITOR.

AUTHORITIES WHO SUPPORT IN PART THE POSITION OF SINGLE TAXERS

In another part of this volume will be found an article from the pen of Mr. Samuel Milliken on the Forerunners of Henry George, which includes mention of many writers who before *Progress and Poverty* was published, taught, more or less adequately, the truths for which Single Taxers stand. Some years ago the late Ernest Howard Crosby made an elaborate collection of quotations from writers, poets, statesmen and others who have voiced the expression of man's equal right to the use of the earth. These were published under the title of *The Earth for all Calendar*, now out of print. Following are a few quotations from writers on political economy:

J. E. CAIRNES—"Little impression has been made on the rate of wages and profits by the universal industrial progress of recent times. . . . The large additions to the wealth of the country (England) has gone neither to profits nor to wages, nor yet to the public at large, but to swell a fund ever growing even while its proprietors sleep—the rent roll of the owners of the soil"—*Some Principles of Political Economy*.

HERBERT SPENCER—"There is reason to suspect that while private possession of things produced by labor will grow even more definite and sacred than at present; the inhabited area which cannot be produced by labor will eventually be distinguished as something which may not be privately possessed. As the individual, primitively owner of himself, partially or wholly loses ownership of himself during the militant regime, but gradually resumes it as the industrial regime develops; so possibly the communal proprietorship of land partially or wholly merged in the ownership of dominant men during the evolution of the militant regime will

be resumed as the industrial type becomes fully evolved.”—*Political Institutions*, chap. 15.

LAVELEYE—“The increased value of the soil resulting from national activity should be reserved to the nation, and not granted to sinecurists, who reap the advantage in the form of increased rent.”—*Primitive Property*, p. 347.

FICHTE—“The transformation of materials by our own efforts is the true juridical basis of property, and the only natural one Every man has over the material world a primordial right of appropriation and a right of property over such things only as have been modified by him.”—Quoted by Laveleye in *Primitive Property*, p. 348.

JOHN STUART MILL—“The essential principle of property being to assure to all persons what they have produced by their labor and accumulated by their abstinence this principle cannot apply to what is not the product of labor, the raw material of the earth.”—*Political Economy*, book 2, p. 85.

HERBERT SPENCER—“Equity does not permit private property in land. . . . If the land owners have a valid right to its surface all who are not land owners have no right at all to its surface. Hence such can exist on the earth by sufferance only. . . . It is manifest that an exclusive possession of the soil necessitates an infringement of the law of equal freedom. For men who cannot live and move and have their being without the leave of others cannot be equally free with others. . . . The doctrine that men are equally entitled to the use of the earth is consistent with the highest state of civilization, and need cause no very serious revolution in existing arrangements.”—*Social Statics*.

Here are citations from eminent legal authorities:

SIR WILLIAM BLACKSTONE—“Accurately and strictly speaking, there is no foundation in nature or in natural law why a set of words on parchment should convey the dominion of land.”

SIR FREDERICK POLLOCK—“It is commonly supposed that land belongs to its owner in the same sense as money or a watch.

This is not the theory of English law since the Norman conquest, nor has it been so in its full significance at any time.

"No absolute ownership of land is recognized by our law books, except in the Crown. All lands are supposed to be held immediately or mediately of the Crown, though no rent or services may be payable and no grant from the Crown on record."

JUSTICE LONGFIELD—"Property in land differs in its origin from property in any commodity produced by human labor; the product of labor naturally belongs to the laborer who produced it, but the same argument does not apply to land, which is not produced by labor, but is the gift of the Creator of the world to mankind. Every argument used to give an ethical foundation for the exclusive right of property in land has a latent fallacy."

PROFESSOR W. A. HUNTER—"The English landlord system, so far from having any moral basis, is founded upon a supercilious contempt of the only moral principle that can afford any justification for private property in land."

PROFESSOR ZACHARIE—"All the sufferings against which civilized nations have to struggle, may be referred to the exclusive right of property in the soil as their source."

Statements from a few thinkers in other fields follow:

THOMAS CARLYLE—"The notion of selling for certain bits of metal. . . . the land of the world Creator, is a ridiculous impossibility.

"The widow is gathering nettles for her children's dinner. A perfumed seigneur, delicately lounging in the Oeil de Boeuf, hath an alchemy whereby he will extract the third nettle and call it rent.

"Properly speaking the land belongs to these two: To the Almighty God and to all His children of men, that have ever worked well on it, or that shall ever work well on it. No generation of men can or could, with never such solemnity and effort sell land on any other principle. It is not the property of any

generation, we say, but that of all the past generations that have worked on it, and of all the future ones that shall work on it."

THOROLD ROGERS—"Every permanent improvement of the soil, every railway and road, every bettering of the general condition of society, every facility given for production, every stimulus applied to consumption, raises rent. The landowner sleeps but thrives."

FRANCIS W. NEWMAN—"The history of the gradual, stealthy, but really nefarious revolution in which landlords, by their own legislative power and their influence over lawyers, changed themselves into landowners, needs to be popularized."

JOHN RUSKIN—"Bodies of men, land, water, and air are the principal of those things which are not, and which it is criminal to consider as personal or exchangeable property."

PRESENT MODES OF TAXATION

There is no agreement anywhere on the true canons of taxation. Most economists teach that there is no science of taxation, just as they teach that there is no science of political economy. If it then be asked what are the economists engaged in teaching, or what these professors are professors of, no satisfactory answer can be given.

Certainly taxation is the only universal practice that lacks any generally accepted axiom or principle. It is the only universal practice to which the average man pays no heed save to object strenuously to his own assessment. That taxation is susceptible of laws which would insure the maximum of revenue with the minimum of burden, never seems to suggest itself to the majority of our citizens. Every man's efforts have been made to evade his own direct taxes, in which attempt he has only saddled himself unknowingly with a greater burden of indirect taxation.

It would take more space than can be given here to enumerate the many fallacies with which this subject is surrounded. Thus it has been held that the productiveness of a source of taxation justifies the tax, yet a very light tax may permanently dry up such sources, which feed the most profitable channels of the nation's industry and commerce. So, too, it is sometimes held that "equal" taxation should be the equal taxation of all property, and that any system which provides for the exemption of any kind of property is therefore unequal. Yet this is manifestly absurd. One of the most elementary recommendations for a tax is that it should be levied but once, yet even this rule is violated constantly. The observance of this rule gained for Napoleon's marshal in Egypt, General Kleber, the name of "The Just." How does our own system accord with this principle? The contempt of our legislators for such principles as

have been worked out by those who have given their lives to the study of the subject is on a par with the lofty indifference of those who draw salaries as professors of a science which they say has no existence. Yet the history of tax reform is and will continue to be the history of the progress of nations.—EDITOR.

THE INCOME TAX

In a work of this character it is advisable to consider briefly current modes of raising revenue. The Single Tax has special advantages as a fiscal method, but its advocates consider that the least of its recommendations. Indeed, the revolutionary, economic and social change Single Taxers advocate is the abolition of all taxes. The change, however, is to be brought about through the taxing machinery now in operation. For this reason it is desirable to consider the disadvantages of existing methods of taxation which it is proposed to abolish. First let us consider the Income Tax. This tax is historically a new tax. It is the hardest to get rid of because the most just, considered merely as a revenue method. No country which has adopted it has ever abandoned it.

The Income Tax is advocated on the "ability to pay" principle. But so, too, is the General Property Tax. Both kinds of taxation work to the detriment of the community. It must therefore be that the principle itself is unsound. The true maxim of taxation is that every citizen should pay in proportion to benefits received. This removes both the Income Tax and the General Property Tax from the kinds of taxes to which no sound objection can be offered.

If the Income Tax be justified, as it sometimes is, on the ground that the rich exploit the poor and that therefore a counteracting system is desirable by which the poor can exploit the rich, it is sufficient to say that justice demands the end of all exploitation.

A tax exempting incomes below a certain fixed sum intensifies the effect which all such taxes have, of operating as fines upon industry. Its effect is precisely the same as discrimination in railroad rates in favor of certain localities to the disadvantage of competing centres. Such railroad discriminations as, for

example, enable farmers at distances to transport their wheat more cheaply than farmers nearer to the market, result not solely to the disadvantage of individuals, but, what is not so clearly apparent, in the actual destruction of wealth. Its effects are positive as well as relative.

Its operations may be illustrated in another way. If the United States imposed high taxes on incomes, and Canada imposed none, and all other things were equal, the Canadian manufacturers and merchants would have an advantage in both Canadian and American markets. Its effects as between competing individuals is the same as between competing countries. A discriminating Income Tax is a tax in favor of some men as against others. It puts some merchants and some manufacturers at a disadvantage in competition with others.

Two farmers working on adjoining half sections of equally good land and using the same amount of capital, may show vastly disproportionate incomes based on widely varying abilities.

In England the Income Tax yields a large revenue; yet the organized opposition to it is strong and active. Such opposition is based rather upon the necessarily inquisitorial mode of its assessment and collection than upon the broader considerations which condemn it. And the objections are strong against a system which calls for the merchant's and broker's ledger and private accounts, the amount of profit on sales, and the sum of borrowed capital, as the price of exemption from excessive overcharge. And when these business secrets are laid before surveyor and commissioners who are fellow-townsmen—perhaps actual rivals in business—the embarrassing nature of such investigation can better be imagined than described.

It has been repeatedly proposed to exempt what has been called "precarious incomes" by those who have realized the injustice and impolicy of taxing all incomes—even so-called industrial incomes—equally, without reference to the source whence they are derived. But for practical consideration, as subjects of legislation, stable and precarious incomes would cease to be matters of distinction. Some incomes are more precarious than others, but under such a law they would mul-

tiply rapidly in the tax returns, and stable incomes would grow exceedingly scarce.

The ingenuity of man has been at infinite pains to improve the parts of an intricate machinery of taxation unsound in the principles of its construction. The mode of assessing and collecting the tax is in itself no ordinary mode of machinery for fiscal purposes; and for guarding against failure or fraud the experience of nearly fifty years has given England a system which extorts admiration, but under which, nevertheless, failure and fraud continue. One of the reports of the Inland Commissioners says: "The claims to compensation which have arisen out of a recent extensive demolition of houses in a certain district by the Metropolitan Board of Works have given the usual evidence of the frauds which prevail under Schedule D."—*i.e.*, the schedule under which industrial incomes are taxed on a basis of self-assessment. These local compensation claims seldom fail to reveal the existence of wholesale frauds in the tax returns.

In whatever way the Income Tax is assessed, inequality must result. To assess by arbitrary estimate is taxation by blackmail; to base assessment on returns of the payer is to leave the truth-teller helpless and at the mercy of the liar. It is either taxation by guesswork or taxation by spies.

That the operation of the Income Tax is inequitable even where longest in vogue is abundantly proved. A committee of inquiry in England reported that there was a substantial amount of fraud and evasion. The Right Hon. C. T. Richie said that it was a matter of common knowledge that evasions of the Income Tax payable under Schedule D. (which includes professional and business incomes) were of frequent occurrence. Prussia avoids much of this evasion by a well-developed spy system in connection with its Income Tax administration, but more democratically governed countries would scarcely tolerate such a system.

To persons of a deficient comprehension of public morality, the Income Tax seems a justifiable method of getting something out of the rich man's coffers. To persons who take predatory views of taxation, the question as to what right the public has

with the rich man's wealth will seem like the query of an idiot. And yet, if there is such a thing as national or public morality, it is an extremely pertinent question.

The objections against an Income Tax may be thus summed up:

In its theory (as a mode of encouraging a more equitable distribution of wealth), fallacious.

In its discrimination, unjust and impolitic.

In its operation, unequal.

In its practice, inquisitorial and corruptive.

The reasons which appear to justify an Income Tax arise from a superficial analysis of the social problem—from that superficiality which concerns itself with the flowering effects rather than with the causes at the root.—EDITOR.

THE GENERAL PROPERTY TAX

The taxation of all property at a uniform rate is made necessary by the constitutions of about three-fourths of the States of the Union. The taxes on chattels, tools, implements, money, credits, etc., find their condemnation from the Single Taxer's point of view in those ethical considerations which differentiate private from public property. Where there arises a fund known as "land values," growing with the growth of the community and the need of public improvements, it is not only impolitic, it is a violation of the rights of property to tax individual earnings for public expenses.

The value of land is the day-to-day product of the presence and communal activity of the people. It is not a creation of the title-holder and should not be placed in the category of property. If population deserts a town or portions of a town, the value of land will fall; the land may become unsalable. When treated as private property the owner of land receives from day-to-day in ground rent a gift from the community; and justice requires that he should pay taxes to the community proportionate to that gift.

"Land value" or "ground rent" as the older economists termed it, is a tribute which economic law levies upon every occupant of land, however fleeting his stay, as the market price of all the advantages, natural and social, appertaining to that land, including necessarily his just share of the cost of government.

But it is necessary to take only a passing glance at this phase of the subject and consider merely the fiscal objections to the General Property Tax. Any one can demonstrate to his entire satisfaction the defective nature of nearly all the inventions of the tax-gatherer. It is not a mere accident that all the modes of revenue in current use fail signally in practice, are unequal in operation, are evaded with ease in great part, or act as hindrances to production. It is this consideration that led the late Thomas

G. Shearman to call the Single Tax on Land Values "Natural Taxation," and to reject all other revenue-raising devices. And the "cloud of witnesses" that can be summoned to testify against the General Property Tax are conclusive as to the character of this method of raising revenue.

Experience proves the complete breakdown of the General Property Tax in every State in the Union. It is practically extinct in Europe.

Specifically it may be said of a tax upon manufacturing, machinery and tools that it increases the cost of manufactured goods. A tax on mortgages is shifted by the lender by means of an increased interest rate. A tax on notes and book accounts is an overhead charge which enters into the price of goods. A tax on banks increases the cost to them of doing business, and they must recover the tax from their customers in the same way that they must get from them any other expense necessary to the conduct of their business.

No better exposition of the causes of the failure of the General Property Tax may be found than of the report of a committee of the National Tax Association made in the year 1910.

This committee was appointed to investigate whether the failure of the General Property Tax is due to inherent defects in the system itself, or to weakness in its administration. The committee was composed of chairman Oscar Leser, Judge of the Appeal Tax Court, of Baltimore, Md., and a member of the Special Tax Commission recently appointed to investigate taxation in that State; Professor E. R. A. Seligman, of Columbia University, a well-known writer on economics and taxation, and a member of the New York Special Tax Commission of 1906; James C. Forman, for many years city assessor of Toronto, Ontario, in which Province the General Property Tax was abolished in 1903 after exhaustive investigations by an assessment commission; Nils P. Haugen, member of the Wisconsin State Tax Commission since 1901; Frederick N. Judson of the St. Louis Bar and member of the St. Louis Tax Commission of 1906, and the author of several law books on taxation.

One portion of this report should be quoted here:

"Public opinion almost invariably recognizes the unfairness of taxing all property by the same rule and at the same rate, whenever a strict enforcement of the law is attempted. The abstract demand for the taxation of all property alike then gives place to concrete indignation over the actual results. It is always some unknown 'they' who ought to be made to pay on everything 'they' own. But the property which the assessor does find, often is, in the opinion of its owners, either greatly over-valued, or has been 'singled out,' or is otherwise quite improperly on the rolls. This attitude of the average property owner is an unconscious resentment at the unfairness of the General Property Tax theory.

"The two theories of taxation most widely accepted by economists are: one, that each individual should be taxed in proportion to his ability to pay; the other, that taxes should be levied in proportion to benefits or privileges received from government. However the advocates of either theory may differ, they will agree that at least taxation should conform to one of these two theories in order to approach fairness. The General Property Tax conforms to neither. It establishes an arbitrary measure for taxation that bears no relation either to ability to pay or to benefits received.

"Apart from these theoretical objections, there is a practical injustice inseparable from strict enforcement. The fact that the real estate tax has been enforced regularly, has led to an amortization of the average tax. The rental received from real estate is gross; therefore the purchaser deducts the tax and finds the net income before he purchases, thus securing for his investment the current rate of return, tax-free. The investor in securities usually pays a purchase price which is fixed in a country-wide market, and is calculated on the assumption that the investment will escape taxation, and that his whole income will therefore be net. When by spasmodic enforcement of the law, or disclosure of personalty in a probate court, securities that bear say four per cent. interest are made subject to a two or three per cent. tax on their market or face value, the moral sense revolts at this practical confiscation of so large a share of the income."

The Committee drawing its conclusions from the large mass of testimony furnished by the tax reports of State taxing bodies as well as those of special tax commissions appointed to investigate the operations of the General Property Tax arrive at the following conclusions:

"That the General Property Tax system has broken down;

"That it has not been more successful under strict administration than where the administration is lax;

"That in the States where its administration has been the most stringent the tendency of public opinion and legislation is not towards still more stringent administration, but towards a modification of the system;

"That the States which have modified or abandoned the General Property Tax show no intention of returning to it;

"That in the States where the General Property Tax is required by constitutional provisions, there is a growing demand for the repeal of such provisions.

"We conclude, therefore, that the failure of the General Property Tax is due to the inherent defects of the theory;

"That even measurably fair and effective administration is unattainable; and that all attempts to strengthen such administration serve simply to accentuate and to prolong the inequalities and unjust operation of the system."

Along with the breakdown of the General Property Tax have come proposals for substitutes for it, such as corporation taxes, habitation taxes, occupation and business taxes, and licenses.

Of the Special Taxes on Corporations it may be said that in so far as the tax falls on competitive productive industry it tends to be an added charge on production and is added to the price paid for commodities. This may not have been true in the days when corporations were not numerous, but to-day practically all business, it may be said, is done in corporate form.

The Habitation Tax is manifestly without a just basis, since a man's habitation is no exact measure of what is due from him to the State.

The Business Tax—The best condemnation of taxes or licenses on business is contained in the following language of the Louisiana Tax Commission in 1906:

"There is no form of tax which provokes such a flood of perjury as accompanies the levy and collection of these taxes. The amount of the tax depends on the return of the taxpayer. The honest taxpayer makes an honest return. The dishonest taxpayer makes a dishonest return. Large numbers of persons make their affidavits with the same looseness of morals with which

the average citizen will attempt to defeat the customs laws on returning from a trip abroad. They regard the cheating of government as venial, and not in the category of crimes."—
EDITOR.

A TARIFF FOR REVENUE

Single Taxers are free traders. The acceptance of free trade as the natural trade—i. e., the trade that would obtain in the absence of all artificial restriction—and the knowledge that “wages, instead of being drawn from capital, are in reality drawn from the product of the labor for which they are paid,”¹ destroy in the mind whatever may linger of the plausible sophistries of protection. (See Henry George’s *Protection or Free Trade*). A brief discussion of the doctrines of these opposing schools, from the view-point of the Single Taxer’s economic philosophy, will be found under the head of definitions in another part of this work.

While it is inadvisable to enter into a lengthy discussion of the conflicting claims of the Protectionist and the commercial Free Trader of the old school, we may pause to indicate the unsatisfactory nature of the teachings of so-called free trade before the advent of Henry George. And for the benefit of those who, though having abandoned all belief in the claims of protection yet cling to the theory of a tariff for revenue, it may be well to examine briefly the grounds on which duties on imports are defended purely as revenue raising measures.

The objection to both tariff and excise taxation as a means of raising revenue is that they disturb prices, lessen production, build up monopolies, and bear in proportion to consumption rather than possession or income. These taxes cannot be so adjusted as to press with equal weight upon all points, which is an economic way of saying that neither of them can be a just method of taxation.

An indirect tax grows with every exchange, as the payment of the tax is advanced by each intermediary dealer; the accumulated profit may in this way double the price to the consumer. The amount collected under a revenue tariff for one year would

¹*Progress and Poverty* (Doubleday Page Edition) p. 23.

be perhaps a third less than the actual increase in price resulting from this mode of taxation.

A tariff upon imported articles not manufactured in the country might, in the absence of other and better sources of taxation, be a convenient means of raising revenue, though subject to the same objection that it takes for public uses less than it forces the consumer to contribute to the profits of intermediaries, who have to advance the tax over and over again. But it would not act with a protective tendency, and, as in the case of tea and coffee, would not increase the price of other commodities. Tea and coffee are the "raw materials" of no industry; therefore those who should refrain from drinking tea and coffee could escape the payment of the tax. But a tax upon iron for instance, whether in the ore, in the pig, or in the bar, cannot be so evaded.

A tariff revenue violates the first principles of a just revenue. It collects from many things instead of a few; and is a complicated and unwieldy system. It has been well said that certainty in taxation is preferable to equality because certainty under natural laws will lead ultimately to equality. And the uncertainty of a tariff for revenue, and the greater expenses of collection, not involved in some other forms of taxation (that upon land values, incomes,¹ or bequests), condemn such a tax upon exchange.

But while this uncertainty must condemn any system for the raising of revenue where more certain methods are at hand, it is always a recommendation for its adoption to those who benefit by such a tax. What other reason can justify the combination upon the same article of specific with *ad valorem* duties, save to conceal the amount of the tax from the pastoral mind?²

¹There is, however, an essential injustice in an income tax, preferable as that is to all other forms of taxation. Even where small incomes are exempt as is the case in England, it must bear harshly upon professional incomes and casual salaries. It cannot make a distinction between fixed revenues derived from land, and those derived from unstable enterprises, or from incomes to be terminated within certain periods.

²The revenue tariff of Great Britain and the protective tariff of Germany are comparatively free from *ad valorem* duties. There are disadvantages in specific duties absent in *ad valorem* duties, and there are disadvantages in *ad valorem* duties absent in specific, but the combination of *ad valorem* with specific duties eliminates the advantages and combines the disadvantages of both.

It is true that Americans exhibit a marked distrust of all direct taxation. But a direct tax is always preferable to an indirect as straightforwardness in conduct is preferable to all shuffling and evasion. The more indirect a tax is the worse it is. A tax on wealth is not so bad as a tax on the process of production, since one interrupts industry, and the other does not. The first may retard it, but to retard it by interruption is to retard it more. This is why a tariff for revenue—a tax upon the process of production, or, what is the same thing in the end, a tax upon exchange—is not a wise way of raising revenue.

All indirect taxes are taxes on consumption. So, too, are some direct taxes, but indirect taxes always are. Such taxation encourages governmental extravagance and leads to heavier and increased taxation. Under it, even when not advocated for protection, sensitive interests grow which cling to its continuance and resist its repeal. Were our burdensome system of taxation a direct one, as has been intimated, men would not long tolerate it. Had that system against which Watt Tyler and his men rose in rebellion been levied in a more indirect way, its essential injustice would never have been perceived. It is instructive to note that time and time again men have arisen in rebellion against taxes unjustly imposed; and half the wars of Christendom have had their origin in shameful attempts to rob the poor in the guise of revenue. But these ancient methods differed in their brutal directness from the secretive nature of modern taxation.

A tariff for revenue has a disturbing influence upon trade, less in degree but not different in kind from a protective tariff. It must also act with a protective tendency. For example, if the annual needs of a country are twenty millions, and duties of ten or twenty per cent. are levied to that amount upon imports, much more than that must be contributed to industries protected to the extent of the duties levied. Rates of duty may easily be too high for revenue, but they can never be too high for protection. A tariff with uniform rates of duty would not be a revenue tariff. A rate of duty that might produce a large amount of revenue if laid upon a certain article, would be absolutely prohibitory in the case of another.

No one can defend a protective tariff as a means of raising revenue, since the treasury gets the lamb's share and somebody else the lion's. No free trader can advocate a tariff for revenue, since the reasons that condemn the one as unmistakably condemn the other. A really protective tariff ought not to, and actually would not raise any revenue, and a revenue tariff must always in a variety of ways act as a protective tariff, whether it be applied with that object in view or not.

There is this objection against even an ideally perfect tariff for revenue. It could not be kept a revenue tariff. Not only must it fail, in the very nature of things, to discriminate with justness between necessities, conveniences, and luxuries, but the door of a revenue tariff swings ever outward into a protective tariff. Theoretically, it may be held that a revenue tariff may remain after a protective tariff is abolished. But, practically, the protective fallacy might be scotched, but not killed, while there remained, in the form of a revenue tariff, a possible means of resuscitation.

It is impossible so to adjust a revenue tariff as to make it a system of equal taxation. *Ad valorem* duties must invite undervaluation, and specific duties must operate as prohibitions on the inferior and more abundant kinds of the article affected by them, even though such duties be extremely moderate.¹

A free commerce makes for peace. Revenue tariffs being interferences with commerce are, therefore, though in lesser degree than protective tariffs, impediments to peace. Revenue tariffs, too, must retain much that is incidental to protective tariffs—ignoble governmental espionage, with its baggage searching and inquisitorial methods. It is not a manly mode of raising revenue; is not, as our ancestors might have said, upright nor forthright.

All indirect or unseen taxation is out of place in a democracy. All systems of taxation which accumulate revenue beyond immediate needs are a peril to the nation. All taxation which looks even incidentally if not avowedly to the business of the citizen, rather than to the needs of government, is a menace to free institutions.—EDITOR.

¹Gloves imported from France into England worth twenty-four shillings a dozen pairs were not excluded by a duty of four shillings and six pence, but gloves worth eight shillings and ten shillings were excluded altogether.

THE INHERITANCE TAX

The Inheritance Tax has several advantages over some other forms of taxation in common use.

The tax is derived from the property of deceased persons, who themselves cannot use it longer, and is paid in most cases by those who have done little or nothing to produce the wealth that they will henceforth enjoy. It is paid at a time when the means of payment are at hand and represents no real sacrifice by the taxpayer. The tax is relatively sure, and inexpensive in collection. It does not interfere with production, unless unduly high, and it cannot be shifted.

On the other hand, the procedure incident to the collection of this tax makes additional costs and fees which, in the case of many small estates, equals or exceeds the amount of the tax. In the United States there is a further difficulty because the laws relating to inheritance are enacted by the several States and not by the federal government. When estates have property in two or more States, the same property is often subject to double taxation, especially in the case of securities and shares of stock. The State of which the decedent was a resident claims the tax because of his residence, while the State where the property represented by the shares is located, claims a tax because of its jurisdiction over the corporation.

Nor can the tax be a substantial source of revenue. In New York, where the rates run from one to eight per cent. the average receipts from the Inheritance Tax are \$12,000,000 annually, or less than five per cent. of the total State and local revenue. And New York has an undue proportion of large estates that really represent wealth located in other parts of the country, or that was made elsewhere than in this State.

In Wisconsin, the average yield of the Inheritance Tax is about \$700,000 annually, less than one and one-half per cent. of the total public expenditures. In California, where the rates

have been increased three times since the first law of 1905, and are perhaps the highest of any State, the tax for 1915 amounted to \$2,483,000 or about two per cent. of the total State and local revenue.

As rates which are at least one per cent. and grade much higher on large fortunes, produce so small a proportion of the total revenue, it is obvious that the Inheritance Tax cannot be a substantial source of revenue. To support the government exclusively by this tax would require the taking of every estate.

From the Single Tax point of view, the Inheritance Tax is defective in several ways. It bears no relation to the benefit conferred by government upon the property taxed. It falls upon property which usually is subject to annual taxation, (paid by the decedent prior to his death and by the beneficiary afterwards) so that the Inheritance Tax is an additional burden upon the same property.

In the popular mind, the Inheritance Tax finds justification as a method of reaching, by means of progressive rates, large accumulations of wealth. It is true, of course, that many, if not most, large fortunes have not been earned, but are the result of some form of special privilege. The remedy for such conditions, however, is either to tax the full value of the privilege or to abolish it, and not allow the owners of such privileges to extract wealth from the community during their entire lifetime on the chance of getting some of it back when they die.

It is a fundamental doctrine of the Single Tax that a man is entitled to whatever he produces by his own labor. When special privileges are abolished and each man has only that which he earns, there will be no justification for taking any of such earnings away from him while he lives, or from those whom he desires to have such earnings when he dies.—EDITOR.

HOW CAN THE SINGLE TAX BE COLLECTED

Inquiries are often made as to how the Single Tax can be collected. Back of this question lie several other questions, the answers to which can be better made when there exists a wide-spread and strong sentiment for the taking of economic rent for public purposes. No one can successfully prophecy just the form the statutes will take in any State or country when that time shall have arrived. It is inexpedient to lay down a programme for legislation, most of which may be long deferred. There would inevitably be differences of opinion concerning the details of any such programme, and such differences of opinion might lead to a lessening of the effort to secure popular approval for the principles laid down by Henry George.

Without attempting to outline a programme of legislation now for the raising of all revenue by a tax on land values for the United States, the State governments, county governments and local governments, it may be appropriate to outline some of the practical objections that are made by those who oppose an exclusive tax on land values.

The law that is universal in the United States for the assessment and taxation of real estate contemplates its assessment at market value. It is alleged, and truthfully so, that an increase in the tax on land values tends to reduce the market value of land. It is argued that on this account any great increase in the tax on land is impracticable because the assessed value will decline so much that the tax rate will be so high as to be impossible. Some Single Taxers have suggested that it would be better to adopt rental value as the basis of taxation so as to avoid this decline in the basis for taxation. Some have suggested that net rent plus taxes be capitalized at the current rate of interest for such property and that this capital sum should be used as the basis for taxation. It is apparent that if this plan were adopted the amount of the tax would not affect the taxable

base except in so far as a heavy tax on the value of land should cause a shrinkage in rental value due to an increase in the market supply of land.

It is quite possible in theory to adopt rental value as the basis for taxation or to adopt the capitalized rental value in the manner already described. Either of these plans involves some change in the accustomed habits of thought of the people of the United States and Canada. The difficulty due to a decline in the market value when the tax increases is more apparent than real. Under-assessment in the United States is so common that people are accustomed to the idea of tax rates rising even above six or seven per cent. In such places a mere increase in the assessed value of land and a decrease in the assessed value of buildings could proceed until buildings were entirely exempted from taxation without increasing the tax rate at all. Probably all local revenue does not now on the average exceed fifty per cent. of the rental value of land alone. If the interest rate is assumed to be five per cent. on the average, a tax rate of five per cent. upon the market value of the land as reduced by the imposition of the tax would take fifty per cent. of the rental value. For example, if the rental amounts to \$1,000 a year, the untaxed capital value would be twenty times \$1,000. or \$20,000. A tax rate of five per cent. on the reduced value amounting to \$10,000 would yield \$500. Thus the tax would be \$500. and the net rent, after deducting the tax, would be \$500. The capital value would be twenty times \$500. or \$10,000.

The natural procedure to change the existing system of the General Property Tax for local and State purposes would be to reduce or abolish the tax on personal property and improvements, increasing the tax rate as might be necessary to raise the required revenue. It has been shown that the tax rate would only have to rise as high as five per cent. in order to take one-half the rental value. Progress beyond that point would involve a considerable increase in the tax rate, but that increase might be gradual, and would not necessarily attract any more adverse comment than does a raise in the tax rate applied to the classes of property now ordinarily taxable.

It may be interesting to note that a two per cent. tax rate on actual market value takes theoretically more than one-third of the rent. A tax of one-third takes approximately two-thirds, and it would require a tax rate of 15 per cent. to take three-fourths of the rent. To use the same illustration, if the net rent, including taxes, amounted to \$1,000. and three-fourths of the rent were taken it would leave a net rent of \$250. \$250 capitalized at five per cent. amounts to \$5,000. 15 per cent. of \$5,000. equals \$750. Thus the tax would be \$750. The tax rate 15 per cent. The market value \$5,000. and the net rent \$250.

The process of reaching the Single Tax would be exactly that described by Henry George when he said that all that is necessary is to abolish taxes on everything except the value of land. The progress of this process might be very different in one State or country than in another. The taxes to be abolished would be different, but the process would be the same.—EDITOR.

TAXATION OF FOREST AND MINERAL LANDS

The present system of taxing forest lands in most States is by the uniform rule of the General Property Tax, which means that both the land and the standing trees are assessed and taxed annually, so that in thirty or fifty years the value represented by the timber has been taxed over and over again and has paid many times the tax on other property.

A forest is a growing crop just as much as is a field of wheat—the only difference being that wheat ripens and is cut annually, whereas a tree requires a number of years to reach maturity.

Standing wheat is exempt from assessment either by statute or because farms are assessed early in the Spring before there is any growing crop to assess, and the valuation of farm land is (in theory at least) what the land is worth for the purpose of growing crops upon it.

The same principle should be applied to the assessment of forests, and this is the tendency of recent legislation.

All discussions of the forest tax question in recent years show an agreement that present methods are destroying forests, and several States whose constitutions permit, provide substantially for the annual taxation of land only and a stumpage tax on timber when it is cut or reaches maturity.

The Single Tax would go further and tax only the land used for forests at what it is worth for such use.

To take the full economic rent of forest land in taxation would not compel an owner to cut the trees. The rent of land used for forests is what such land is worth annually to a person who expects to plant trees upon it and wait until that crop is ready to cut. Of course, the best forestry requires continuous cutting and replanting a certain proportion of the growth annually, but this does not affect the principle. It would not be difficult to ascertain from those familiar with forest land and their develop-

ment, just what was the rental value of a particular tract. Land which is suitable only for forestry is of such low value that its assessment would not offer any serious problem.

An original forest growth that has reached maturity without any labor or cost to the owner (as is the case with many of the western timber lands), presents a somewhat different problem. Such an original growth, which precedes population, is a natural resource, and should not have been allowed to pass into private hands. Nevertheless, the timber is still a crop, and to hasten its cutting unduly by heavy taxation intended to get back its "natural resource" value, may be unwise public policy, especially if this leads to a stripping of the land and its abandonment. This is one of the practical questions that must be adjusted so that the least possible harm shall result from past mistakes. Perhaps the most acceptable solution would be to tax the land at its value, as in the case of reforested land, and then have a stumpage tax which would be in the nature of a partial payment for the advantage of having obtained possession of the original timber growth.

But there is no justification for a stumpage tax on reforested growth. The price of timber will be set, ultimately, by the labor and investment cost of raising it on the least profitable land used for such purpose; where the cost is less the land will be worth a corresponding rental. A stumpage tax then would be shifted to consumers of lumber just as other taxes on labor products are shifted.

The proper method of assessing mineral land is one of the most perplexing problems of any system of taxation.

Mineral lands differ from other natural opportunities, such as city lots, farms or forest land, in that their use involves the destruction of their value by the exhaustion of the mineral. The site value of a city lot or even the site value of farm and forest lands is not diminished or exhausted through use; but the only value of a mine is in the product that must be taken away in order to realize the value. In most cases, it is impracticable to determine in advance the total productive capacity of a mine (or gas or oil well, or quarry), and even if this could be ascer-

tained accurately, the time of exhaustion would depend upon the rapidity of the working, and this, in turn, would be influenced by the market prices of the product.

Nevertheless, mines have a value and this can be ascertained and taxed just as well at least, by the application of Single Tax principles, as under the ordinary methods of taxation.

To arrive at the rental value of a mineral property of any particular class of product (iron, gold, oil, gas), a fair rule would be to find the cost of the product in those producing mines (or wells) that were the most expensive to operate. If the difference between gross and net proceeds was only an ordinary business profit, that would be a "no rent" mine and would be a basis. By computing the higher net profits of mines that were cheaper to operate, the economic rent of those mines could be ascertained.

To determine the rental value of non-producing mineral properties offers some difficulties, but these are not insurmountable. A fair estimate can be made by comparisons, and there is not much danger that mines will deliberately be kept out of use if the assessment is anywhere near what it would be if the mine were operating, and it could be more accurately ascertained. It is only in exceptional cases that the owners of mineral land will combine to restrict production in order to advance prices through the curtailment of supply. Ordinarily mines are worked so as to obtain the greatest possible yield at the lowest investment cost.

Some leeway must be left to encourage the investment of capital in machinery and in such work as tunneling and sinking shafts, as the mine may suddenly become exhausted and the capital be lost. A proper allowance for this risk would have to be made in computing net profits.

A practicable compromise for some time to come would be a combination of a tax on assessed value of the mine (which would take part of the rental value and which would be heavy enough to discourage holding mines out of use), and a royalty or production tax based upon either the value or the tonnage of the output.—

A. C. P.

RELATED QUESTIONS

THE SINGLE TAX AND SOCIALISM

Modern Socialism, as distinguished from various former social theories which have gone by that name, is that social philosophy which advocates the reorganization of the present system of economic relationships by a series of steps leading to the establishment of the "cooperative commonwealth." The term also applies to the state of society which it is the aim of Socialists to bring about. In the Socialist commonwealth, the land and all the machinery and tools of production would be collectively owned, and their use in production determined by organized society as a whole or by the entire body of producers in each particular industry. The distribution of the product would be likewise determined by the collective will.

In the details of their programme, Socialists differ very widely. Certain elements favor a gradual step by step policy, while others see no hope for even an effective beginning, until the reins of government shall have been seized by a revolutionary and class-conscious proletariat, politically organized along national and international lines. Equally marked differences exist in Socialist views concerning the distribution of the products of labor in the ideal commonwealth. Those inclined to the historical Communistic position accept the formula: "From each according to his ability; to each according to his needs." The doctrine of the type of Socialism represented by Edward Bellamy and the Nationalist movement founded by him calls for complete equality in the distribution of wealth, regardless of the share taken in its production. Other Socialists hold that each worker should be rewarded in proportion to the value of his contribution to the general production, those unable without fault of their own to labor, or exempt by reasons of service fully performed, or

any other accepted cause being supported as wards of the commonwealth. Others, again, refuse to give a positive answer, but assert with Kautsky (*The Socialist Republic*: Chapter 9, *passim*) that the solution will be found when the conditions present themselves.

"Orthodox" or Marxian Socialism, the form under which Socialism is best known and most coherently presented, holds, in the words of A. M. Simons (*Single Tax vs. Socialism*, p. 4-6) "that at any time the social institutions are determined by the mode in which society gets its living—the manner in which goods are produced and distributed among members of society. It maintains that up to and including the present time this manner of production has been such as to render one class of society a ruling class of idlers and the other a subject class of producers. This ruling class has determined all the institutions of society to suit itself and in its interests. But in every stage of society the manner of production upon which the whole of society rests has been changing; and when it reached a certain point, it brought a class that had hitherto been subject into prominence in the production and distribution of goods. This gave them power with which to overthrow the ruling class, and form a new organization in which they should be rulers. In every age of society, the most prominent feature of the ruling class, and the one upon which their power was based, was that they owned the essential factor in production. In the middle ages this was the land. The landlords were then supreme. Because they owned the land, they owned the laborers who must use the land in order to live. . . . But about the close of the last century another factor in production attained prominence. Up till this time, the tool had been of little importance. Each laborer owned his own tools, and if he could but get access to the land could produce. But now, with the invention of the power loom, the spinning-jenny, the steam engine, etc., it was impossible for each laborer to own the tools with which he worked. The tool became transformed into the great factory, which now became the principal factor in production. The men who owned the factories now owned the thing that men must have in order to produce and to

live; and consequently they owned the men—the laborers. Because of this, they were able to overthrow those who owned the now less important factor, the land; and the landlord gave way to the capitalist as the ruling class. Competition among the capitalists ending in combination and monopoly has divided society into two clearly defined classes, of capitalist and laborer, the former ruling because of his ownership of the essentials of production, which makes the laborer his slave. At the beginning of capitalism, the most essential function in production was the organization of the new forces. This was done by the capitalist. But now that this organization is completed, it is handed over to the laborer; and the capitalist has no active functions, but confines himself to the passive action of drawing dividends because of his ownership. The laborers thus became the essential factor in production. But when any class occupies this position, it is a certainty that it will soon be the dominant class in society.” In accordance with this comforting conviction the Socialist goes on to conclude that the laborers will organize themselves politically into class-conscious bodies to capture the powers of government now held by the capitalists, and will vest the ownership of the land and tools in all of society, thus forever rendering economic slavery impossible.

The central doctrines of the Marxian creed are thus seen to be those of economic determinism, still referred to by many Socialists under the awkward and indefinite earlier appellation of “the materialist conception of history,” and the class struggle. The present mode of production and distribution is known to Socialists as “the capitalist system.” Holding as they do that the evolution of the tool has relegated ownership of the land to a position of secondary importance, and that the tendency towards large-scale production and huge inclusive industrial combinations is destined to become irresistible in all branches of productive activity, thus ultimately rendering their absorption by organized society both inevitable and logical, they have generally looked with small patience on the Single Tax movement, and have neglected a careful study of its economic basis. Holding as they do that capitalism is necessarily monopolistic

by reason of its control of the tools of production, they refuse to concede that capital and labor can by any possibility have a common interest, both being the victims of monopoly.

For a number of years during the early history of the Single Tax movement, after a temporary political alliance which finally brought to light the radical differences of viewpoint as well as of tactics between the two schools of economic thought, the attitude of most Socialists toward Single Taxers was one of contemptuous hostility. This spirit is reflected in the pamphlet of Simons, previously referred to, which reflects an entire misconception of the Single Tax, due to bitter hostile animus, which prevented a study of *Progress and Poverty* sufficiently careful to have preserved the Socialist critic from various glaring errors. At present, a change of sentiment is noticeable among the more progressive and far-sighted representatives of the Socialist movement. The collection of social revenues by the taxation of land values is appearing in Socialist platforms as prominent among the "immediate demands." That the Single Tax is good "as far as it goes," and is a necessary step in the process of economic regeneration, is a sentiment often heard in Socialist circles. A not infrequent human phenomenon at the present time is the "Single Tax Socialist," who insists that there is no incompatibility between the two movements, and that he is equally loyal to both. (A noted liberal religious preacher once publicly defined himself as a "Single Tax-Socialist-Anarchist."¹) The exponents of reconciliation declare that the Single Tax argument is unassailable, and that the absorption of economic rent by the community is the necessary first step in social transformation. They believe, however, that while this basic reform will be of enormous value in the direction of the freeing of labor, it will require to be supplemented by the socialization of the tools of industry, owing to the economies of large business enterprise and the difficulty of maintaining free competition against the owners of the elaborate machinery required for modern modes of production.

The attitude of Single Taxers toward the Socialist movement has been a subject of much dispute. "The ideal of Socialism,"

¹For "Anarchy" see Definitions.

said Henry George, (*Progress and Poverty*, Book VI, Chap. 1), "is grand and noble; and it is, I am convinced, possible of realization; but such a state of society cannot be manufactured—it must grow." Single Taxers reject the dogma of the class struggle and recognize only a limited validity in that of economic determinism. As a body, they are strong individualists, although not approaching the extreme no-government attitude of the Anarchists nor the cold-blooded interpretation of *laissez faire* of the Manchester school. Without the necessity of quibbling over the idea of "natural rights," in either an eighteenth or a twentieth century version, they find the sole guarantee of social harmony and justice in a full recognition of the "law of equal liberty," clearly defined by William Godwin in his famous *Enquiry into Political Justice*, and much later repeated and popularized by Herbert Spencer, with whose name it is commonly associated. According to this principle, the legitimate freedom of the individual to act is bounded only by the equal freedom of every other individual; so that an act or course of conduct, to deserve social condemnation, must be essentially invasive in its nature or must become invasive under the special conditions surrounding its performance. Organized society, being made up of individuals grouped in such a manner as to enable them to promote their common or collective interests, can have no lawful powers superior to the aggregate of those which may be claimed by its constituents. The police power, for example, is simply an extension of the individual right of self-defence, and has clearly defined boundaries beyond which it must not pass. It is within its functions in protecting the lives and property of individuals or in putting down armed revolt against organized society or acts or conspiracies tending toward the overthrow of social order. But when it is used for purposes of religious persecution, or to suppress free speech, or to interfere with purely self-regarding acts which are disapproved by the majority or by members of the ruling class but do not in any way interfere with the principle of equal liberty or with that of social order, it becomes a tyranny and a malign social influence. The same principle applies to the constructive labors of organized society. The construction

of highways, the carrying of the mails, the maintenance of public education, the weather bureau and the life saving service, are types of collective activity which plainly concern society as a whole. Individual initiative, unsupported by special powers conferred by the collectivity, would be hopelessly inadequate to the performance of these tasks in the interests of all. The extension of governmental functions to the nationalization of the railroads and the telephones, the establishment of a more rigorous federal and State supervision over the conservation of the natural resources of the land, the more complete development of public sanitation, represent lines of further progress, which do not trench upon individual rights, because they are distinctly in the interest, not of any class however large but of all members of society and of the preservation of society itself. On the other hand, sumptuary legislation, determining the exact nature of uniform clothing to be worn by all citizens, an exclusively government-owned press or a State church, the fixing of set hours at which every citizen must retire at night and rise in the morning, would be no less distinctly recognized as infringements of individual initiative, unwarranted by the legitimate relation of society to its members. Between these extremes, there is a large borderland, with reference to which the average mind rests in a state of some confusion. The democratic philosophy accepted by Single Taxers would give the individual the benefit of the doubt in all obscure cases. In the main, however, the principle is too clear to be mistaken. The normal type of productive activity is that carried on by individuals. Where no form of monopoly or special privilege exists, free competition develops in accordance with a natural law, whether under primitive and simple or under modern and complex methods of production, and thus secures to each participant in the work of production a return equitably proportioned to his share in the process. Only conditions which destroy free competition, by rendering it impossible for him without loss to transfer his energies to other forms of productive activity, impede the working of this natural law. The Single Tax, by destroying land monopoly, the basic and most dangerous form of special privilege, restores free com-

petition to a condition of full vitality, giving to every worker the freedom characteristic of primitive and pioneer conditions of production, while increasing his powers to produce and his share of the common product by the enormous advantages gained through modern machinery, intensive large-scale production, expert supervision and the most efficient division of labor and specialization in the direction of the expenditure of energy. The only industries possibly retaining a power to levy tribute on either their own employes, other producing classes or the general public, would be what are known as natural monopolies, industries dependent on special franchises giving exclusive privileges chiefly consisting of use of special forms of land, water power, rights of way and the like, which by their very nature exclude free competition. As these privileges relate to natural opportunities to which all have an equal right of access, organized society, representing the equal rights of all, is fully warranted in exercising over the franchise-holders a degree of supervision capable of giving to all members of the community advantages fully equivalent to those secured in other industries by the law of free competition. If experience proves that supervision is insufficient to accomplish this end, the law of equal liberty both permits and requires society to refuse to bestow franchises in the premises and to take over in behalf of the public the operations hitherto carried on by private individuals. In the case of each such industry, the specific test must be made on its own merits.

This, then, is the answer of the Single Taxers to the Socialist claim of the breaking down of free competition under modern conditions. Free competition, so far from having proved itself a failure, has never yet been even given a trial. The restoration of the land to the people and the support of public activities by the natural revenue created by the people as a whole are fundamentally just and basically necessary. When this elementary justice is secured, it will be easy to test the degree of power remaining in the hands of the possessors of large capital, whether in the form of immense fortunes already accumulated or in that of huge buildings and elaborate machinery. The Socialist who is firm in his faith should have no fear of meeting the test. If his analysis

is correct, the establishment of the Single Tax will bring him one step nearer to reaching his goal. It will destroy one huge class of parasites upon labor, and will weaken all the other classes. It will give the workers at least a larger measure of independence than they now enjoy, and hence a leverage for more effectively pressing their advantage. This is the very least that it will accomplish. On the other hand, if the result is that claimed by the Single Taxer, not merely to bring labor a step nearer to securing its rights, but also to ensure that it shall receive its full product without the necessity of upsetting the present system of production; if free competition actually ensures an equitable distribution of the wealth produced between labor and capital in a just proportion to the contribution of each to the work of production; if the "class struggle" between those who exploit and those who are exploited comes to an end by the disappearance of exploitation through the abolition of monopoly and the relegation of capital to its proper position as the partner and assistant of labor: the true end of Socialism will be achieved by the transformation through natural law and not by the revolutionary overthrow of what Socialists term the capitalist system. While the Single Taxer, confident in an analysis based on fundamental economic principles, is assured that the last-given supposition is the correct one, he is, with Henry George, prepared to recognize the noble aims of Socialism, though sharply dissenting from its current tactics and from its assumption that exploitation can be cured only by so drastic a measure as the seizure of all the tools of production and their collective operation. Capitalism, under the Single Tax, could not by any possibility be the ogre that Socialists picture it today. But it is not the purpose of Single Taxers to discount the future. Their aim is to set the economic pyramid, now wabblingly poised on its apex, firmly on its base, by eliminating the direct and indirect exploitation of labor and paralyzation of industry involved in the monopolization of natural resources and the private appropriation of economic rent. With this major task accomplished, it will be far easier to trace any remaining industrial or social disorders to their exact source, and to adopt whatever measures judgment and experience may dictate to correct them.—J. F. M., JR.

THE SINGLE TAX AND FRANCHISES

Sometimes when I have been exercising my political soul to find an effective means for the termination of perpetual franchises and for the gradual acquisition of public utility properties by the cities, it has been suggested to me that there is an easy way to accomplish the desired result and that there is no reason for fuming and fretting so much and being in so great a hurry when presently the general application of the Single Tax programme to franchise values will, like the magician's wand, conjure away all financial difficulties and usher in municipal ownership strident and triumphant. This suggestion has troubled me, as it seems to indicate that instead of following the line of least resistance, I have been trying to do things in the hardest way. So the question is squarely this: Can the Single Tax be used effectively as a weapon to destroy perpetual franchises and to bring about an increasing degree of control over public utilities.

In the discussion of this question the first thing to be done is to define the scope of the term "franchises" and to define the relations between franchise values and the value of land. In this discussion, I shall use the term franchises as applying to special rights in public highways for the construction and maintenance of permanent fixtures and for the collection of revenues from the public through the medium of rates for general utility services rendered by means of such fixtures. The term public highways is here used in the broad sense to include not only ordinary roads and streets but also special rights of way for transportation or transmission purposes, such as railroads, power lines, aqueducts, oil pipe lines, telephone and telegraph lines, etc., where the acquisition of the necessary rights of way is brought about through actual or potential use of the high governmental power of condemnation. The term franchises, therefore, as here used, is broad enough to include easements and may be defined to mean

the intangible privileges of railroads and other public utilities for the special and partial use of land. A street franchise may be regarded as an undivided easement in the bed of the street, an inseparable fraction of the aggregate use—value of all the uses to which the street is put. The value of the franchise is a portion of the value of the land without its improvements. The structures themselves, such as the street railway tracks, the water and gas pipes, the electric light poles, wires and conduits, etc., are improvements on land, corresponding to buildings on ordinary residential and business property. In the State of New York, under the special franchise tax law, the intangible franchise, together with the utility fixtures located in the streets, is defined as real estate. Nothing can be more tangible than land itself; yet the easement or franchise right enjoyed by a public service corporation is wholly intangible.

Single Taxers maintain that land is a monopoly. They also maintain that the tax upon land values cannot be shifted from the landholders to anybody else. On the other hand, they generally hold that a tax levied upon buildings and other improvements of land enters into the cost of the service rendered to the tenant for which he can be compelled to pay. I have said that a franchise is an intangible part of the land—what might be termed the spiritual or life element of the material thing—and that utility structures are improvements on land. It becomes fundamentally important to determine whether there are any peculiar conditions attaching to public utilities which cause the ultimate effect of a tax like the New York special franchise tax to be different from the effects of the ordinary tax on real estate where land and buildings are included together. While it may be considered that land, in a certain sense, is a monopoly, it is obvious that any particular parcel of land is subject to the competition of other parcels for the determination of the use to which it shall be put and the consequent value that shall attach to it. In the case of a public utility, however, in a given urban community, the normal condition is that the entire franchise is a unit without any other similar units to compete with it. That is to say, the franchise of a street railway company, the "land"

in which the company has an easement, is not made up of a multitude of competing parcels, but is for all practical purposes one single parcel, including all the streets and private rights of way occupied for street railway purposes within that community. Franchises and easements in other communities cannot seriously affect the use or the use-value of this particular franchise. It would appear, therefore, that so far as street franchises are concerned, taxes levied on the structures in the streets, no less than taxes levied on the intangible right itself, tend to reduce or destroy the market value of the franchise. This will be seen more clearly if we assume that the public utility in question is being operated as an unregulated monopoly, charging for its service that price which will produce the greatest aggregate revenues. Under such conditions, if the tax upon the franchise or upon the physical property in the street is increased, obviously this cannot be made a reason for increasing the gross revenues of the business. Therefore, under these conditions, the total amount of the tax, whether levied upon intangibles or upon tangibles—land or improvements—goes to decrease the market value of the intangible franchise. The assumption of unregulated monopoly conditions in the operation of a public utility brings us up against a big fact which cannot be ignored except in the realm of purely hypothetical reasoning. This fact is the existence of governmental regulation of street monopolies. Whether it be regulation by legislative limitations upon corporate powers, by the terms and conditions of local franchise contracts, by municipal ordinances, by the orders of public service commissions or by the enforcement of the principles of the common law relating to monopolies and enterprises affected with a public interest, this regulation tends to destroy not merely the capital value but also the rental value of utility franchises. In this respect the effect of regulation upon the use-values of franchises is radically different from the effect of taxation upon such values. While many persons connected with the agitation to untax buildings advocate the development of the land tax theory on the assumption that the effect of the Single Tax would be to reduce rents, it is very clear that no such effect can be brought about by the increase of the land tax except

through the indirect effects of increased competition in the use of land. In a community which is compactly and normally developed, the increase of the land tax will have no substantial effect upon the use of the land or the annual rental to be paid by those who enjoy the privilege of occupying it. It is only speculative rental values, not real ones, that can be destroyed or lessened by the increase of taxation. Stated in another way, the fundamental purpose of the Single Tax is not to lessen ground rents but to appropriate them to the general uses of the community and thus relieve the people from the burden of other forms of taxation. Governmental regulation of public utility services and rates has a different purpose and a different result. If the rates are so reduced and the service requirements so increased that the patrons of the utility have to pay only the cost of the service, then by means of regulation the market value and the rental value of the franchise are destroyed at the same time. Regulation does not appropriate to the community as a whole the financial benefits of the operation of franchises, but it destroys these financial benefits entirely by requiring the franchise holder to furnish service to the patrons of the utility at cost.

It may be urged by certain Single Taxers who belong to the "most straitest sect" of individualists that street franchises should be taxed like any other landed property so that the full financial advantages arising from the unrestricted exploitation of the streets may flow into the coffers of the community. I am of the opinion, however, that those who take this view are a very small minority both among Single Taxers, and among citizens generally, irrespective of their views on taxation. In fact, it is only a relatively small number of so-called "taxpayers" who still cling to the political philosophy, largely exploited in British cities, that the operation of local utilities should be made a source of municipal profit for the relief of the general tax rate. It has come to be the generally accepted theory of American students of public utilities who approach the subject from the public point of view that all the standard utilities which have come to be vital necessities, almost characteristics, of urban life, should be

operated at or below cost. If this theory is the right one, then regulation rather than taxation is the normal means to be used in furtherance of the purposes here under discussion. It is only in abnormal conditions, where, through the obstructions presented by some irrevocable contract, the police power of the State has been so curtailed or abrogated as to render the destruction of franchise values by regulation impracticable, that taxation should be resorted to for this purpose. It is true that in many cases public utility rates and in some cases the standards and obligations of public utility service, have been fixed by agreements or quasi-agreements which are still respected as binding upon all the governmental authorities having to do with the utilities concerned. But the authority of the State, through the exercise of its police power, to fix public utility rates and standards of service irrespective of any contractual relations which may have been established between the public service corporations and the municipalities in which they operate, is gradually being established as the fixed law of the land. It may be that the authority so developed is not being properly or completely exercised by the governmental agencies to which this power is entrusted, but, if so, this does not alter the fact that the proper method of attack upon franchise values is through the further development of public regulation.

In this discussion we ought not to omit a consideration of the relation between the Single Tax and public ownership. While it is probably true that the great weight of public opinion at the present time is in favor of the operation of municipally owned public utilities on a self-sustaining basis, it is undeniable that the necessities of our great urban communities and the development of communistic thought are together giving considerable impetus to the movement for utility services rendered free or at least at prices below their actual cost. The strength of this movement is shown by the nature of the rapid transit contracts recently entered into by the City of New York, under which the taxpayers are to pay millions of dollars every year to subsidize the rapid transit companies in order to make it possible for the people of the city to be carried about at rates

which are less than the cost of the service. It is not uncommon for utilities owned and operated by cities to be subsidized out of taxation. If this movement for service below cost becomes general, it will necessarily destroy positive franchise values and in fact make them a minus quantity, leaving nothing to be taxed. While Single Taxers are not necessarily municipal ownership men, yet it would seem to be quite obvious that if the below-cost theory is to be followed out it should be through direct public ownership and operation of the utilities rather than through subsidized private corporations. The tremendous amount of private investments in public utilities and their rapid increase, under present day social and economic conditions, makes the municipalization of public utilities more and more difficult. If it is recognized that public ownership is an ultimate necessity, then in view of the facts that stare us in the face, the adoption and persistent working out of a constructive program by which municipal ownership will be brought definitely nearer is one of the most pressing political problems of the times. It may well be that the taxation of franchises and the radical reduction of rates through regulation will prove to be equally short-sighted policies at the present time. Public ownership cannot be brought about merely by the creation of public opinion favorable to it. We shall not be able to take over the utilities by a stroke of the pen "when we get ready," unless the getting ready includes deliberate and effective preparation, of which the most important factor will be the financial one. If, therefore, we ask the question, what is the proper relation of the Single Tax to franchises?—we may have to say that it is entirely an indirect one. The Single Tax as a means of getting revenue with which to pay the expenses of government, should let franchises alone. If we are not too blind to see that public regulation cannot succeed in its purposes except as it leads to ultimate public ownership, rates will not be reduced below the point where first class service can be rendered and a fund be set aside out of earnings gradually to amortize the investment and render the transfer of the utility from private to public hands financially easy. If public ownership is to be the goal, this policy is inevitable and necessary unless

the cooperation of the Single Tax be enlisted to supply, out of the appropriated annual use values of occupied land, a fund with which to pay off the private investors in public utilities or to supplement the revenues from such utilities when laboring under the burdens of over-capitalization. That the extension of public utility facilities, particularly street railway lines and water pipes, into a new district, adds greatly to the value of the land neighboring the extensions, is indisputable. This increase in land value should be taken by taxation. The use of special assessments for the construction of public utility extensions has often been advocated and has even been put into effect in a partial way in certain communities. If the fundamental idea involved in the adoption of this policy were to be extended to apply to the utility plant as a whole, it would result in the assumption of the capital charges of public utilities by the community, to be met out of the tax upon land values. It may be that the provision of the plant by means of land taxation, with the cost of actual operation charged in rates to the consumers of the utility, will be the next practicable step in the direction of free public utility service.

I would not be understood as advocating the removal of all taxes from public utility franchises if such removal is to result in an enhancement of the private value of these privileges. If, however, the remission of taxes is a part of a consistent and effective programme for the gradual municipalization of utilities and the reduction of their rates to as low a point as will be consistent with the accomplishment of this purpose, then I should strongly favor a removal of public utility property, including alleged franchise values, from the tax rolls. I should go even further and advocate the increase of the tax on ordinary land values for the purpose of facilitating the municipalization of utilities and the reduction of utility rates.—D. F. W.

SINGLE TAX AND CHILD LABOR

The spectacle of little children engaged in gainful occupations is one that should suggest an inherent imperfection in our social institutions. The normal mind perceives it with a shock, yet failing to carry the analysis of conditions to a logical conclusion men and women are content for the most part to follow the mere philanthropic impulses of the heart while ignoring the tremendous challenge which the spectacle presents to the intellect. For there is no more obvious and formidable indictment of our civilization than this.

Of all the children 10 to 15 in the United States more than one in six, or 1,990,225 in 1910 were found at work. More than half of these were less than 14 years old.¹ The majority were engaged in various forms of agriculture. This number has perhaps decreased since 1910, because of the increasing number of State laws forbidding the employment of children in certain occupations. But the 1910 Federal Census provides the only available statistics of child labor covering the entire country. It is interesting to note that in 1900 there was not a single State in the Union with a 14 year age limit for any common industrial occupation except mining.

It is objected that as the majority of the children employed (a little under three-quarters of the number) are engaged in agriculture, they are working under favorable conditions and enjoying regular attendance at school. But unfortunately this is not the case. Investigation has revealed that in the berry and vegetable fields of Maryland, Delaware and New Jersey hundreds of children go with their parents to supply the demand for labor to pick the crops. They return from the country weakened by overwork, improper food and want of proper supervision.²

¹U. S. Federal Census, 1910.

²National Child Labor Committee.

The following table, compiled from the Census figures, shows the distribution of children in industry:

INDUSTRY	CHILDREN REPORTED		
	Age 10 to 13	Age 14 to 15	Total
Salt, Oil and Gas Wells.....	28	205	233
Public Service (not elsewhere classified)	84	707	791
Quarries	224	1,120	1,344
Liquor and Beverage Industries.....	115	1,327	1,442
Chemical and Allied Industries	187	3,132	3,319
Paper and Pulp Industries	154	4,652	4,806
Professional Service	805	5,628	6,433
Metal Industries (except Iron and Steel) ..	252	6,971	7,223
Clay, Glass and Stone Industries.....	1,234	9,161	10,395
Cigar and Tobacco Factories.....	1,843	8,723	10,566
Food and Kindred Industries.....	972	10,245	11,217
Leather Industries.....	406	11,592	11,998
Printing and Bookbinding.....	622	11,482	12,104
Mines	2,241	14,877	17,118
Iron and Steel Industries.....	951	19,518	20,469
Lumber and Furniture Industries	4,367	17,418	21,785
Clothing Industries	1,113	22,158	23,271
Transportation	3,041	21,777	24,818
Miscellaneous Industries	2,064	28,093	30,157
Building and Hand Trades	5,008	27,657	32,665
Textile Industries.....	14,642	65,888	80,530
Trade.....	22,441	88,965	111,406
Domestic and Personal Service.....	33,045	80,510	113,555
Agriculture, Forestry, Animal Husbandry	800,137	632,443	1,432,580
Totals.....	895,976	1,094,249	1,990,225

In most States today the employment of children is regulated and restricted by more or less adequate provision. In some States there is an almost total absence of such provisions. But parents whose poverty compels them to make a sacrifice of their offspring to the toil and hazards of industry often set these regulations at naught. Many youthful workers are still employed in the cigar making industry despite the efforts of the Cigar Makers' Union to protect them from work that is unhealthy and carried on often under the most unsanitary conditions.

Following are a few instances of the employment of children. Many more could be given were it desirable to extend the limits of this article:

Over 17,000 children between the ages of 10 and 16 are engaged in "the extraction of minerals" in the United States.¹ These industries are dangerous and when not so are hopelessly monotonous.

Over 29,000 children between the ages of 10 and 16 are at work in factories in States where they may work at night.¹

Over 122,000 children between the ages of 10 and 16 are at work in factories in States where they may work 9, 10, or 11 hours a day.¹

The New York State Factory Investigating Committee in the season of 1912 found 952 children under 14 working in the canneries.

The Bulletin of the Department of Labor (175) which treats of the employment of women and children in the United States refers in this way to the conditions set forth:

"The conclusion seems to be that numbers of children are at work whose families would not really suffer hardship if the employment of the children were forbidden, and another considerable number whose families could very well afford to spare their earnings." For a moment it seemed as if this very serious government report was about to divide the parents of these children into two classes: those who could afford to spare their children's earnings and another class who did not need these earnings. They go on to say: "The question naturally arises why children of the latter group are at work. To a considerable extent it seems due to indifference or active hostility to the schools on the part of both parents and children. This is referred to in several of the reports."

This is naive enough but the Report recovers itself long enough to say: "Poverty and the generally low earning capacity of the mill people, who get lower wages than the people in almost any other great industry, are among the prime causes of the indifference and hostility of the parents toward the schools." So it may be that "poverty and low earning capacity" are really responsible for the employment of young children, and not at all the dislike of the children for school life, a phenomenon which, by

¹National Child Labor Committee.

the way, is not wholly unknown even among the children of the more favored classes.

The facts are, despite labor legislation¹ and the well meant efforts of labor and trade organizations, that hundreds of thousands of children are at work who should be at school or play, the great majority at miserably low wages,² and in hopelessly monotonous occupations. Most all so engaged are learning nothing that will be of any money-earning advantage to them as they grow older.³ The industrial surroundings of great numbers of these little workers are unsanitary and sometimes fraught with grave hazards; the environment is of necessity corrupting to the moral fibre of the young, and men and women so reared are not likely to make good citizens in the days when the Republic shall require them.

We may commend the work of the National Child Labor Committee, labor and trade organizations, and the philanthropic bodies which seek to mitigate the horrors of a social condition which denies to the child its few years of playtime. But this commendation must be qualified. Either these amiable philanthropists do not know or do not want to know. For these children are victims of a great wrong. In so far as one sees this wrong and seeks other ways out than the true way—the way of indus-

¹Special attention was given to the subject of illegal employment. Almost one third of the children (203, or 32.6 per cent.) had at one time or another worked under illegal condition, some of them having been so employed more than once. About one-sixth (102) were working illegally at the time of the investigation. Studies of child labor in Pawtucket and Woonsocket, Rhode Island, Plymouth and Hazleton in Pennsylvania, Columbia, S. C., Columbus, Ga., and a group of three small mill towns near Columbus, partly in Georgia and partly in Alabama.—*U. S. Labor Bulletin*, 175.

²Practically 90 per cent of the boys and all of the girls entered industries whose average weekly wage for all employees is under \$10; 7 per cent. of the boys entered industries whose average weekly wage is between \$10 and \$15 and only three per cent entered industries whose average wage is \$15 or over.—*U. S. Labor Bulletin*, 175.

³Much of the work undertaken by the children is of such a character that it requires little mental training; 50.6 per cent. of the employers say that no education whatever is needed by the larger number of their employees to do the best work.—*U. S. Labor Bulletin*, 175.

trial emancipation by giving the earth to man—he merits the contempt of all those who would rescue the poor stunted souls and bodies of these little ones.

We have thought it advisable to present the foregoing facts as conveying, however inadequately, some notion of the appalling nature and extent of child labor in a country politically but not yet economically free. The phenomenon of child labor is the inevitable accompaniment of low wages, and low wages result from a condition of land monopoly which the Single Tax will destroy. Nothing less than the opening up of natural opportunities for employment will give to parents the higher wages adequate for the maintenance of a decent standard of family life and thus remove children of tender years from gainful occupations.—EDITOR.

SINGLE TAX AND LABOR UNIONS

It will be useful in a work like this to speak briefly of the views held by Single Taxers concerning labor unions. Henry George himself was a member of a printers' union, but Single Taxers are under no delusion regarding the purely temporary nature of all gains in wages brought about by combinations among workmen. Slowly but surely the irresistible pressure of the man out of work and bidding for employment—that unnatural auction active at all times and accentuated in dull times, that characterizes the labor market—must determine the rate of wages in the final adjustment.

That unions are able to arrest the tendency of wages to a minimum in isolated occupations, or again in highly skilled trades, may be conceded, but that they are effectual in unskilled occupations, or that they have any appreciable effect upon the general rate of wages, will hardly be contended by the more intelligent trades unionists. It is one of the curious anomalies of the situation that if labor could effect a general or universal increase of the rate of wages, it would be in the final result no increase at all, since it would be swallowed up in increased rents and increased cost of commodities, but chiefly in increased rents.

This would not be the case were the capitalist or employer of labor in receipt of the unpaid wages of labor. In that event combinations of workers might be able to enforce conditions by which they would retain their full wages, and there would be no corresponding increase in the cost of commodities such as now results from wages raised artificially by combination. But here again because land is the one element that reflects in increased rents all the gains that come from improvements in conditions, the advantage to labor at most would be doubtful.

But it is not the employing class that receive the unpaid wages of labor. If that were so the only wealthy class would

be the employing class, small business men would grow rich, merchants, store-keepers, all men with capital to employ labor, would flourish everywhere. Yet everyone knows that such is not the case. It should be tremendously significant to those who wish to get at the real cause of low wages, that, whatever the legerdemain be by which wealth is diverted from the channels of labor to those who do little or no labor, the result is independent of the action of the employers of labor, whether individual or concerted. Generally speaking, these men appear to be at the mercy of a force they did not create and cannot control, over ninety-five per cent. of them going to the wall in the fierce economic struggle of which they are equal victims with the workers.¹

The truth therefore appears to be this: Unless a rate of wages forced up by combination adds to the wealth of the community, such increase must cause a rise in the price of commodities and must be paid by the general consumer, and that if it were possible to effect a general increase of wages without an increase in the price of commodities, the rent of land under the unrestrained private control of natural opportunities that prevails, would absorb all or a greater part of the gain.

To this there are some exceptions, these exceptions being the monopolies where prices are now so high that to raise them would be to reduce the consumption and lower profits. But the number of such monopolies so situated is few. It might be thought that the coal monopoly is one, but it will be recalled that the increase of wages secured some years ago in the coal industry was followed by an increase in the price of coal per ton, which increase has continued every year and has swallowed up many times the increase in wages.

Another instance among the very few in which increase of wages forced by combination is not visited upon the community in higher prices, is where higher wages result in greater efficiency. Labor unionists are fond of pointing out that union labor is the more efficient. But that this is one of the results of labor unionism may well be doubted. Indeed, the imposed restrictions as to hours, apprenticeships, etc., may be fairly regarded

¹This is the testimony of Dunn and Bradstreet.

as counterbalancing the tendency to any increased efficiency brought about by labor unions. That the membership of labor unions comprise types of greater efficiency arises from the fact that men of higher intelligence feel more strongly the impulse to cooperate with their fellows for mutual benefit. Such efficiency exists therefore independently of the higher wages secured by combination, though it is an economic law of profound significance that high wages do conduce to greater efficiency. This, however, is true as applying to wages that are high in a natural and unrestricted market, and not to wages forced up artificially by combination. In the latter case, as we have indicated, other and different factors enter which profoundly affect the result.

The criticisms leveled at trade unionism by those unfamiliar with the underlying laws of distribution are mostly of a wholly untenable character. The failure to recognize the helpless position of the worker who has only his labor to sell in a market where opportunities are restricted by the holding of land out of use has led to the suggestion of remedies wholly fantastic and to the abuse of labor unions wholly irrational. Labor unionists, on their part failing to recognize the relations of labor to land, strike at an imaginary enemy, the capitalist, the employer, himself at the mercy of those who control the natural opportunities, for if labor starves without land, capital wastes, and both must make equally necessitous bargains. Both must yield all above a bare subsistence. And thus we see what an intelligent knowledge of the forces at work would have enabled us to predict—interest and wages stationary or falling and land values rising.

For a final dissipation of the popular confusions and false notions that cling around the question of wages, a reference¹ should be had to the law of wages, as stated by Henry George and his demonstration of the fallacy that wages are drawn from capital or are dependent upon the amount of capital set aside for their payment.—EDITOR.

¹See *Progress and Poverty*. See also Appendix for "Definitions;" "Wages;" "Wage Fund Theory."



SINGLE TAX AND PANICS

Panics and acute business crises are comparatively modern economic phenomena. Consequently, the early economists, like Smith, Ricardo, Say and Mill, did not discuss panics. More recent economists, like Jevons, Walker and Marshall, describe and discuss panics and depressions, their cyclic tendencies, etc., but do not, apparently, seek for the fundamental cause or causes of over-production, under-consumption, over-capitalization, wrong production, over-expectations, speculation, over-spending, destruction of fluid capital, collapse of credit, excessive indebtedness, money deficiency, money redundancy, high rents, free trade, crop failures, sun spots and other alleged causes of panics, crises and depressions.

The most generally accepted theories of panics and crises just now are those of maladjustment and over-capitalization. The maladjustment theory, as Prof. Frank W. Taussig tells us, grows out of the misdirected use of capital and labor, misfits or lack of equilibrium between production and consumption, etc. The over-capitalization theory, as Prof. E. R. A. Seligman presents it, finds the cause of panics in over-extended credit, or "in the discrepancy between the investment and the returns." He says that "The crisis of 1837 was due to the over-capitalization of land values; the liquidation of 1903 to the over-capitalization of trust values."

He holds that "inasmuch as modern business enterprise is based on credit, it is obvious that even an ideal banking and currency system cannot, in itself, avert a crisis," though "it may mitigate the evils."

All, or nearly all, of the discussions of the alleged causes of panics and crises, by recognized economists, are devoted to diagnosing the disease and to describing the symptoms of the economic disorder. Most economists assume that panics, like the

poor, must always be with us and offer suggestions as to how to alleviate their evils.

The best discussion of the subject is by Theodore (Senator) Burton. While he leans to the theory of maladjustment and readjustment, or that "depressions are caused by unusual expenditures of capital for prospective demands," thus leaving insufficient capital for present wants, his reasoning on this point is labored and unsatisfactory.

In general, it may be said that political economy, as it is taught in most colleges, is as dark and dismal as to the causes of and remedies for panics as it is when considered as a science.

While the maladjustment and over-capitalization theories are, apparently, half explanations of financial crises, such as we had in 1857 and in 1907, they cannot but be unsatisfactory explanations to economists with logical, reasoning minds. These explanations are clearly not fundamental; they do not tell us why over-capitalization occurs or why production is not as well adjusted to consumption at one time as at another. It is absurd to suppose that over-capitalization can so disturb the equilibrium between production and consumption as to bring on a panic. A corporation's control over prices and production is not measured by the amount of its capital, either nominal or actual. If a corporation has no monopoly, it puts as much in as it takes out of the current of commerce and gives a *quid pro quo* to society. It, therefore, does not disturb the smooth flow of trade and exchange. It is only when a corporation (or an individual) has a monopoly and can take more from than it gives to society, can obtain something for nothing, that it has power to disturb the even flow of economic events—to produce "maladjustments" or "misfits."

It must be evident that the over-capitalization and misfits theories, like the now half-discarded and discredited theories of over-production, under-consumption, speculation, over-extended credit, lack of fluid capital, excessive indebtedness, free trade and sun spots, do not explain fundamental causes at all. "Misfits," over-capitalization, etc., are more incidents than causes of panics.

But even if these old and discarded theories and these later

and present generally-accepted theories really explained the causes of financial crises or panics, they would not explain the fundamental causes of prolonged industrial depressions such as occurred after the panics of 1873 and 1893. These causes can, we believe, be explained by high land rents and by them alone. We think that it can be and, in fact, has been shown that high land rents, flowing into private pockets, are the greatest and most fundamental cause of economic injustice and of business depression. Why this is necessarily so can be explained in a few words:

THE EARTH OUR MOTHER

Man is a land animal as much as a fish is a water animal. Not only does man live on land but all of his wants are supplied by or from land. The earth is, literally, his mother. He will perish quickly if he has not access to the breast of his earth mother and will suffer and squall and become panicky if he has not free access to earth's breast and cannot obtain sufficient nutriment. His relation to land is fundamental and can be broken or disturbed only at great peril and loss to him and to society.

Production and consumption will always be in equilibrium and commerce and exchange will always flow smoothly, if all men at all times have equal and free access to nature's storehouse of wealth and if there are no dams—tariff, etc.—to interfere with the exchange of products. Free land and free trade are therefore, essential to economic justice; to give all an equal opportunity to produce goods and to exchange them without paying toll to anyone. When goods are produced and exchanged freely, it is reasonably certain that production and consumption will run so closely together that there can be no serious panics or long periods of depression. Serious maladjustment can and will occur only when production and exchange are interfered with and to the extent that they are interfered with.

The private ownership of land, that is, the taking of economic or land rent by private land owners, or landlords, most seriously interferes with some men's access to mother earth. Landlords are not only dogs in the manger; they are a class and about the

only class, except the tariff beneficiaries, that consume without producing; that do not give a *quid pro quo* for what they get.

The capitalist supplies capital and is entitled to the interest that he gets. The laborer—wage, salary or fee earner—produces goods or gives services and is entitled to what he gets in exchange. The landlord produces neither the land nor the land rent and is not, therefore, entitled to the rent that he takes. He is the only one who takes out of the economic pot without putting something into it. He is the only one who can and does live off the labor of others. He is the greatest of all economic leeches.

Professor Thorold Rogers said, in 1870:

“Every permanent improvement of the soil, every railroad and road, every bettering of the general condition of society, every facility given for production, every stimulus supplied to consumption, raises rent. The landowner sleeps, but thrives. He alone, among all the recipients in the distribution of products, owes everything to the labor of others, contributes nothing of his own. He inherits part of the fruits of present industry, and has appropriated the lion’s share of accumulated intelligence.”

If, as in ordinary times, the landlord takes only a moderate rent, that is, charges only the actual rental value of land to the capitalist and laborer who use land, production and consumption proceed normally, for society has fairly well adjusted itself to this unjust system. In times of great prosperity—so-called—when there is great speculation in land values and they rise rapidly, the landlords can and do take even more than the normal rental value of land; that is, more rent than is produced by society. Access to land then becomes so difficult and the prices that producers have to charge for food, clothing and shelter become so high that consumers are unable, after paying excessive rent, to purchase all of the goods produced. Hence, the glut in the market; the decline in the prices of commodities; the collapse of the over-extended credits; business failures; closed mills; idle labor and low wages. The business depression does not end until land values have declined to or below normal for the population. Soon thereafter business begins to revive, mills to open, unemployment to decrease, wages to advance and prosperity to

return. Industry will continue on the up-grade until rents again become excessive. Most, if not all, periods of prosperity end with real estate booms. Even our present war prosperity will probably continue until there is a boom in city, farm, forest and mine land values.

VALUE OF LAND RENT

So great is the people's rent bill and so much faster does it grow than does population that even in ordinary times it prevents most producers from saving and gives us the "iron law of wages," while, in boom times, it becomes so great that it, by preventing profits and strangling production, operates to bring on panics and depressions.

While we can estimate, approximately, the present rental value of land, we cannot estimate the damage to society from lands held idle, or half idle, by speculators. The dog-in-the-manger evil may exceed the rats-in-the-manger evil. What the landlords actually take in rent, toll or graft, may injure us less than does the potential rent that he does not take on lands held idle for speculative purposes. By preventing production on some land and creating an artificial scarcity of usable land, the landlords can charge monopoly prices for lands used. What part of the increased cost of living is due to land monopoly we do not know. If land were free, coal, iron ore, oil, copper, lead, lumber, etc., would probably cost us far less than they now do. Transportation by railroad and street railway would cost us less, for their franchises are rated very high.

The yearly rental value of land in this country is not far from \$50 per capita, or \$225 per family per year. It can be estimated in various ways:

(1) The present wealth of the United States is estimated at \$187,000,000,000. Inasmuch as it appears to be a law of economics (see *Natural Taxation*, by Thomas G. Shearman) that the values of all improvements and property held on land reflect back an equal value to land, the value of land is about \$93,000,000,000, or \$930 per capita. This value supposedly includes not only the potential or monopoly value of land but also franchise values.

(2) That the land values of the United States are around \$1000 per capita is evident both from urban and rural statistics. Ordinary land values in New York City, in 1914, were assessed at \$4,602,852,107, or \$840 per capita. As land in New York is taxed about 2% the untaxed value (on a 5% interest basis) would be about \$1200 per capita, or about \$1250 including franchises. Boston (where values are as fairly assessed as in New York) shows a per capita land value of \$1003—before allowing for taxes. In some of the smaller cities the land values, as shown by Prof. Scott Nearing, vary from \$200 to \$500 per capita. It is probable, however, that the assessments in these cities are far below actual values. On the other hand, it is true that much of the land values in New York, Boston and other great ports and commercial cities comes largely from the population back of or outside of these cities.

The total value of agricultural lands, as reported by the Census of 1910, was \$28,475,674,169, and of buildings, \$6,352,451,528. As the rural population was 40,000,000, the per capita of rural land values was about \$700—or say \$1000 after allowing for taxes. How much of improvement value (clearing, draining, etc.) is included in this estimate is not known. Possibly these improvement values will be offset by the value of mines, rights of way, water power, etc.

It thus appears that the per capita value of land in this country is about \$1000. This would (at 5%) indicate a yearly per capita rent, or potential rent, of \$50, or about \$225 per family.

Dr. W. I. King, in *The Wealth and Income of the People of the United States*, estimated the total income, in 1910, at \$30,500,000,000. Prof. B. M. Anderson, Jr., of Harvard, estimated the net income, in 1914, at \$32,600,000,000; in 1915, at \$35,400,000,000 and in 1916 at \$49,200,000,000.

Assuming that for the three years previous to 1916 the average of the people's expenditures (after allowing for savings—largely by the landlord class) was \$30,000,000,000 a year and that the population then was 100,000,000, or 22,000,000, families, the average expenditures were \$300 per capita, or \$1,363 per family. Then, if \$50 per capita or \$225 per family goes for land rent, the

landlords get 16.6%, or one-sixth of our total expenditures. If the land monopoly and franchise costs (through higher prices for food, clothing, fuel, car fares, etc.) be included, it is probable that more than 20%, and perhaps as much as 25%, of our expenditures go directly and indirectly for land rent in normal times. In abnormal times, such as we may have when land rent is adjusted to the abnormal times of 1916, and when net income has declined to normal, more than 25% of our total expenditures may, for a while, go as graft to landlords. When that time comes another business depression will not be far off.—B. W. H.

SINGLE TAX AND IMMIGRATION

The problem of immigration is not a problem of people; it is a problem of land. The land systems of Europe have controlled immigration to the United States from the beginning. It was land monopoly that drove the settlers from England to the United States in the 17th and 18th centuries; it was land monopoly in Ireland that depopulated that unfortunate island. Land monopoly drove the peasants from Hungary, Poland, Austria and Italy to America. Conversely the countries which have peasant proprietorship, in which the people own the land, are countries from which little or no immigration comes. We receive but few immigrants from Switzerland, Denmark and France. These people stay at home.

There was no immigration problem so long as free land existed in America, which could be taken up by the settler. Not until the great public domain had been enclosed by private owners did the immigration problem appear. This drove people into the cities; it created the municipal problem as well as the immigration problem that now confronts us. Wages were affected by the pressure of incoming workers who had to compete with other workers in the mill, the factory and the mine. Surplus labor reduces wages. Even organization among the workers could not prevent the tendency of wages to fall.

And the immigration problem today is a land problem. It can easily be cured through a proper land policy; by taxing land values so heavily that the great resources of America will be opened up to use. At the present time people live in this country at about thirty to the square mile. In many countries of Europe there are three hundred people to the square mile. Germany with 67,000,000 people could be placed inside of Texas and still leave room for Switzerland. There is wealth enough and land enough in America for ten times our present population if the resources were opened to use rather than to idle monopoly holding.

The Single Tax will solve the land problem. And it alone will solve the immigration problem. The taxation of land value, too, will call aloud for workers to cultivate the soil, to develop the resources, to build houses, to produce wealth. And if we tax land heavily enough people will move from the city onto the land cheapened by the taxes which we impose upon it. For men cannot hold land idle when it becomes too expensive to do so. They will sell it or cultivate it themselves. In the cities they will build houses, which will reduce rents. They will open up lands and natural resources which will demand labor and increase wages. They will break up great estates, which now include one-fourth of the cultivable area of America, into small farms. The great West from the Mississippi to the Rockies will under the Single Tax blossom into an empire of home owners instead of great feudal estates, inadequately cultivated or used for grazing purposes.

The European War has checked immigration. It has fallen to about 250,000 per annum. The outgoing flood balances the incoming tide. This check in immigration may continue after the war. Emigration may be prohibited by the warring countries. This may solve the immigration problem so far as the United States is concerned. It will not solve it as to the 35,000,000 people who are living in cities, congested, rack-rented, and oppressed by industrial conditions. The first step in an immigration policy is the opening of the land to use; and this step can only be taken by levying taxes upon land sufficiently heavy to compel those who own it either to use or sell to some one who will use.—F. C. H.

SINGLE TAX AND WAR

War comes neither from preparedness nor unpreparedness. Its causes lie deeper than the ordinary pacifists suspect. And if it be asked what relation the Single Tax has to the causes which make for the abolition of war and the reign of peace, it may be replied that a Single Tax democracy will reveal to the individual for the first time his natural and economic relation to his fellows rather than his artificial relation to the State. It will disclose to his mind for the first time in history the artificiality of those national boundary lines which owe their existence to the accidents of time, and which serve a purpose no longer of consequence in view of that broader and better era in which men's minds embrace the larger conception.

So, too, with those false notions of national glory, of conquest, of racial assertiveness—their modification or destruction is inevitable in the newer conception of democracy which would follow the establishment of Single Tax ideals in legislation. How much will disappear in the recognition by the individual of his own inherent sovereignty, his right to the use of the earth, his true economic relation to his fellows, remains with the imagination alone to conceive. But before the power of this conception it is reasonable to predict the weakening or destruction of every form of aggression. And from the necessity of resistance to all possible aggression in every manifestation will come the recognition of the claims of his fellow sovereigns to his support of their equal right as against the aggressor. It is not unreasonable to believe that in such a democracy war will become a thing inconceivable as something in conflict with the newer ideals—a denial of the individual's sovereignty and at war with even his lower material interests.

We have but to consider the extent to which the following causes are contributory to a state of war:

(1) The neglect to cultivate and use the land of a nation by the removal of vast tracts of land from use under present systems of land tenure, thus impelling governments to seek territory outside their own boundaries, and,

(2) The existence of protective tariffs, barring exports from other countries, and thus unconsciously contributing to the same impulse to break down these barriers and create markets by the use of force, or to seek colonies as outlets for apparently surplus products.

An Italian economist, Loria, has said that 258 out of 286 wars could be traced to economic causes. Superficially they may be traced to racial animosities, the desire for conquest, the ambitions of rulers, the excess of national pride, and to misunderstandings and lack of familiarity with the motives animating the people of other nationalities. For the people of few nations understand one another.

Single Taxers, pointing to the cause or causes of war, are confident that free access to the use of the earth and the abolition of tariffs would result in making mankind free from the age-long slavery to governments of princes and kings and lords of privilege, that the bringing of men closer together in the association of ideas and greater harmony of interests would reveal the identity of aims; would substitute a natural for an unnatural mode of revenue; would reveal how new territory may be conquered by peaceful means; would do away with those misunderstandings between workers of different nationalities that are the fruit of ignorance, exclusiveness and economic slavery, and dissipate those curious philosophies of racial hatreds and national presumptions which find a lodgment among men chiefly because the masses are poor and disinherited.—EDITOR.

THE FARMER AND THE SINGLE TAX

The remarkable extent to which the taxation of land values is being endorsed by leading farm organizations is attracting nation-wide attention. By land speculators, holders of large landed estates, and monopoly interests generally, this is viewed with alarm, but to the followers of Henry George it is tremendously hopeful in the possibilities it opens up for an early triumph of the Single Tax. This advanced stand of the leading farm organizations has been brought about by educational work in the farm field almost wholly outside and independent of the organized Single Tax movement, and it is important to the earnest Single Tax propagandist to get a right understanding of this farmer movement and of how it can be effectively aided and accelerated.

The extent to which the organized farmers' movement of the country has endorsed the principles for which Single Taxers contend is scarcely realized. In June, 1915, the Washington State Grange passed the following resolution:

"Resolved, by Washington State Grange, that this body go on record as favoring the adoption of a system of taxation whereby personal property and all improvements would be exempt from taxation and the burden of taxation be borne by land values only."

The Maryland State Grange met in convention at Easton, in December, 1915. At the conclusion of the report of the special committee appointed at the 1915 Convention to investigate the distribution of the burden of taxation the following as expressing the views of the Committee was presented:

"Resolved, That we favor the abolition of the general property tax and favor the taxation of the value of land irrespective of improvements.

"Resolved, That we favor the taxation of all land held out of use, at its full selling or speculative value.

"Whereas, There are in the United States more than 2,225,000 tenant farmers, and the constantly increasing number bodes ill for the perpetuity of our republic; therefore be it

"Resolved, That as the remedy for this crying evil we favor the taxing of the annual rental value of land for fiscal needs of government. The effect of this would be to make it unprofitable for anyone to own more land than could be put to its best and most profitable use. This would at once enable working tenant farmers to acquire homes of their own and become independent, self-respecting citizens of the republic, and it would destroy land monopoly."

These resolutions were debated for two hours. Finally on the plea that their purport was not sufficiently understood by the membership, a motion was made and carried that they be referred to the Subordinate Granges throughout the State for their thorough study and consideration during the year.

The Farmers National Congress at its annual convention in Indianapolis in October, 1916, adopted the following:

"Resolved, That this Congress views with alarm the increase in farm tenancy, recommends that the several States adopt a gradual land tax adapted to their peculiar conditions, in order to promote more and better farm homes, farm citizenship, and country life in general."

The National Grange, at its Annual convention, Washington, D. C., went on record as follows:

"Resolved, That the Legislative Committee be charged with the duty of taking into consideration the whole problem of the tenant farmer in America and his relations to the economic, social, and rural future of the Republic; that we endorse the principles of the so-called Crosser bill (H. R. 11329) introduced in the last session of Congress and favorably acted upon by the committee on public lands, and which should become a law at the next session of Congress."

At the annual convention of the National Farmers' Union, held at Palatka, Fla., the Union took advanced ground and endorsed a graduated land tax.

The Farmers' Union of North Carolina, the largest State farmers' organization in the South, ranks next to Nebraska, the

largest State organization in the National Farmers' Union. Following are excerpts from the address of State President H. Q. Alexander:

"The State should devise and adopt a progressive form of taxation. All kinds of property should not bear the same rate of taxation; property should be classified. If a man buys a farm or other piece of property and by hard work and self-denial greatly improves it, it is wrong to run up the tax on that man's industry. And perhaps nearby is another piece of property owned by a non-resident who is holding it for the advance that comes from community development; his property adds nothing to the progress of the community but it is valued at a song. This is all wrong.

"There should be a graduated land tax; the lowest rate being imposed on the smallest estates and the rates increased as the land holdings increase. Every head of a family should be exempt from all taxes on a homestead of at least \$1,000 value. In New Zealand the homestead exemption is for \$2,500 value. New Zealand is governed by farmers and has the best government in the world. The lawyer influence in New Zealand's government is nil.

"Property held out of use for speculation should be taxed higher than property that is being used for the benefit and improvement of the community. People living in towns and investing in country property should be required to pay an absentee landlord tax; but they should have the benefit of the homestead exemption."

The Farmers' Non-Partisan League of North Dakota, which elected a Single Taxer Governor of the State and the entire State ticket with one exception, had a strong land value tax in its platform. The leading field lecturer of the organization is Ray McKaig, Master of the State Grange and Secretary of the Republican State Central Committee. Since the election he has been delivering addresses to great gatherings of farmers in all the North Western States. In all these addresses and in the interviews with him published in the papers of all the cities visited by him he tells of the stand of the Farmer of North Dakota for the taxation of land values. We quote from the most widely published of these addresses:

"Speculators hold immense tracts of undeveloped lands in our State and refuse to sell until they get a high price, thus re-

tarding the development of our counties. They are waiting for the farmers to build more buidings to improve their farms, then, when the price of all the land goes up, the speculator, in time, will unload. The farmer in the meantime, pays taxes on the very improvements, such as buildings, etc., that help raise the price of the speculators' land. Canada does not tax the farmers' improvements in British Columbia but puts an equal tax on all farm land, whether improved or not. Thus the speculators in Canada pay as much taxes for unimproved acreage as farmers do in North Dakota for improved farms. What is good for Canada is good for North Dakota—sauce for the goose, etc."

The farmers of Texas have authorized the circulation of the following petition:

"Taxation shall be equal and uniform, as to property subject to taxation. Provided, however, that all forms of property which shall have been created by the labor of human beings shall forever be exempted from taxation, and that the State and all political subdivisions thereof, generally known as counties, cities and towns shall assess for taxation only the rental of the unimproved value of the land, irrespective of the improvements thereon, and the value of the franchise of public service corporations that use the streets or lands of the State or any political subdivisions of same, and shall be empowered to fix such a rate as to produce the revenue necessary to defray the expenses of the government, economically administered, in said State or political subdivision of same."

The petition makes the further statement:

"Texas has 170,000,000 acres of land; 27,000,000 acres are improved; three-fourths of these improved acres are either rented or mortgaged. Out of the balance there are over 100,000,000 acres suitable for cultivation—all held by speculators, and the people are suffering for the scarcity of products, and high cost of living and ever-increasing land prices and rentals.

"So we have four-fifths of the State locked up in the hands of the speculators while tenantry has increased 129 per cent. in the last 20 years."

It is self-evident to the Single Taxer that the farmers need the Single Tax; that there is no possible way except through the adoption of the Single Tax to prevent the robbery of the farmer,

which takes even from the most prosperous a large part of his just profits, and which steadily reduces increasing numbers to the condition of struggling poverty-stricken tenants, or, what is essentially the same thing, mortgage burdened owners whose equity in their farms is steadily becoming a minus quantity. It is also self-evident that the Single Tax, which strikes at the very foundation of special privilege, cannot be enacted into law except by the aid of the farmer. The farmers are so dominating a factor in the electorate that any law, federal or State, which they unitedly oppose has no possible show of enactment, while on the other hand there is no way to prevent the speedy enactment of any measure which has the united farmers behind it.

It is not in Delaware, or in Rhode Island, or in Missouri, or even in California, that the wonderful progress of the Single Tax in the farm world is found. While it is the most marked in Washington, where the great State farmers organization has endorsed the Single Tax, and in North Dakota where the now famous Farmers' Non-partisan League has made the taxation of land values one of the leading planks in its platform, it is a general nation-wide movement profoundly influencing the thoughts of farmers and organized farmer activities in every State in the Union. The favorable attitude of the Farmers' National Congress; of the Farmers' Educational and Co-operative Union of America, with organizations in twenty-two States; of the Grange, the great farmer organization of the North, with 33 State organizations, over 20,000 locals, and a million members; and of other farm organizations; the increasing editorial endorsement of the taxation of land values and straight Single Tax in the leading farm papers; the increasing extent to which the Single Tax is being made a subject of study in the Grange and Farmers' Union lecture courses; the increasing call from farmers themselves for Single Tax lecturers; and the increasing extent to which the taxation of land values is being included in the combined working programmes of labor and farm organizations; all show how wide spread and significant this movement is. That it rests on a solid foundation is shown by the economic soundness of the positions taken by these farm organizations

on the related subjects of the tariff, transportation, finance, etc.

This remarkable progress of the Single Tax in the farm field is due to the inherent democracy of the farmer himself; to the unswerving loyalty of some of the organization leaders to the farmer's cause, and to a few Single Taxers, who having made a broad sympathetic study of the farmer's problems, as the farmer himself saw them, identified themselves with the farmers' cause and became active workers in the farm organizations, editors of farm papers, teachers in agricultural schools and colleges, etc.

The farmer, the man nearest to nature, and furthest removed from the artificialities of modern society, is, at one and the same time, the most stable conservative and natural democrat. The mere surface investigator or observer, and the Single Taxer impatient to find a short-cut to the Single Tax, may dispute this, but their reasoning is on a par with that of many well meaning opponents of the Single Tax. The farm organizations are among the most democratic organizations in the country, and the Grange beneath a cloak of ritualistic forms and ceremonies, and a superstructure of an undemocratic national organization, is one of the most, if not the most, genuinely democratic institutions in the world. I know that some good workers in the farm field dispute this, but I think they only see the farmer individually, or locally, and have failed to see him as a whole. The farmer is distinguished by certain dominating characteristics as a class. It is these dominating class characteristics that must be appealed to in order to win his support and incite him to action. It is the collective effect of the action of the thousands and thousands of local organizations that determines the policy and action of the organization as a whole; and the collective effect of all the farm organizations is the most potent factor in determining the policy and action of the farm press, of the unorganized farmers, of the representatives of rural districts in all legislative bodies, and of the leaders of political parties. The stand of the leading farm organizations is the dominating factor in determining the action of the whole farm world.—G. P. H.

SINGLE TAX AND THE TRUST

How comes it that a power in its unimpeded operations beneficent—namely, the force or forces of combination or co-operation—becomes under certain conditions so injurious to modern industry? Why is a union of two factories or many factories, of two companies or many companies, a signal to the community of anticipated extortion? And why should the development of natural laws—those of combination and co-operation—provoke a public demand for regulation, and those who avail themselves of these operations be deemed amenable to punishment?

We may grant that a perfected combination which should succeed in forestalling any given commodity would be criminal. The law from its very beginnings has so regarded all such attempts. It is conceivable that, under certain conditions, a mere agreement between individuals might perfect a combination clearly within the provision of the law compelling its forcible dissolution. But this is not conceivable under modern conditions where wide distribution of capital and free labor exists. Law, indeed, may create such monopolies, which it may by popular demand be called upon to destroy, undoing with one hand what it has done with the other. State-created monopolies have existed often in history—as notably in the reign of Queen Elizabeth—but because these have been created by direct act they have been exceedingly unpopular. So, in periods of greater public intelligence, and where the people exercise larger powers of government, it became necessary to accomplish the same result by indirect means, by putting into operation some general law under which monopoly could find a shelter, and the secret sources of which could not be so easily traced.

For, contrary to the almost universal opinion, monopoly is weak. It demands protection. And from what does it demand

protection? From the all-powerful natural law of competition. The curious Socialist notion that competition leads to monopoly is true only in the sense that monopoly, seeing how powerless it is when threatened by the forces of competition, seeks the protection of such laws as it can secure, or which already exist, for the suppression of competition. And this brings us to the conclusion which is unavoidable that there are no monopolies save law-created monopolies.

High capitalization, it is sometimes said, tends to increase price. It does offer temptation to increase of price, but nothing can put it within the power of combinations to increase price save the forces of monopoly. This power you do not increase or decrease by adding to the numbers of the counters, the considerations governing which are purely those of the stock-gambling fraternity.

The reason why anti-trust legislation is futile is because, having created monopoly privileges, Government has appealed to the natural instincts of all men to seek these opportunities and benefits. Such laws are attempts to give effective form to the public's foolish anathemas against impulses shared by everybody, and are therefore as futile as the Pope's bull against the comet. When we understand that these great trusts are monopolies that Government has made, we will realize why it is that Government cannot unmake them by any other process than by removing the causes of their creation.

Competition is often a painful but really a merciful process; it weeds out the useless and the inefficient; selects unerringly its business leaders; destroys, but where it destroys builds up; rescues from the mass the individuals and processes most fitted to survive, and out of chaos brings order. It replaces obsolete with more perfect organization, and where such organization becomes unwieldy it replaces organization with individuals, reverting to the earlier type of industry. Thus the country store is succeeded by the store in which is sold but one line of goods, and this is succeeded by the mammoth type of country store, the great city's department store; and the development of the last named type seems again to revert to the second—viz., a

congeries of stores in which each is distinct from the other, each attaining a reputation for competitive excellence in one line of goods, thus illustrating in the retail trade the interplay of the forces of competition and combination.

Just as there is a limit fixed to the bounds of competition, so there is a limit to the bounds of combination. The maximum of combination and the maximum of efficiency are not the same. There is a point in the progress of combination beyond which it does not, or would not naturally, advance—and that is when it reaches the maximum of efficiency. It seems very likely that the element of monopoly in society today forces combination far beyond the point of the most efficient co-operation.

We hear much superficial talk about "the wastes of competition." Beyond the fact that competition has never yet been fully tried, that it has never yet been wholly free, and that such waste as it entails is inseparable from the natural process which weeds out the incompetent, the antiquated and the unskilled—a process of which the waste is but incidental to the conservation—is that these combinationss do not seek primarily to escape the waste of competition so much as to avail themselves of those artificial laws which prevent competition from doing its perfect work.

The term expressing the opposite of competition is not combination but monopoly.

Is competition or combination the beneficent law of industry? Both; for one is the complement of the other. They exist together, and together they effect the industrial progress of the world. But monopoly is the negation of both, since further combination or co-operation is no longer possible where monopoly is complete. And where there is competition there will be combination, healthy, rational, continuous, and competition will determine its development and direction. The defense of the trust based upon the economic benefits resulting from the elimination of the unskilled is a defense of the principle of combination present under free competition, and is in no sense a defense of monopoly of which what we know as the "trust" is the manifestation.

That the trusts avail themselves of all possible economies in production has often been urged in their defense. Certainly such economies are not needed to secure a monopoly in possession, nor does it seem that the greatest incentives to their adoption are present. The sacrifice of inventions rather than their use by these great monopolies is proof that they do much to prevent such economies. A monopoly can be induced to accept only with difficulty improved devices which under the spur of competition it would gladly avail itself. Thus in the Post-Office, which is a monopoly, though a Government monopoly, improvements are introduced only with the greatest difficulty.

If it be true that there are no monopolies save law-created monopolies, it only remains for the State to undo the work it has done. The means by which the State, consciously or unconsciously, has fostered monopolies may be removed, and a new, and up to this time untried, method for remedying the evils of trusts be set in motion.

Before we can agree to this, however, we must understand what monopoly is. Briefly stated, it is the power to charge more than a competitive price for a commodity or service. This power can be permanently secured by the favor of Government, and in no other way. An agreement between individuals cannot accomplish it, since such agreements, even if they include all individuals in interest, which is impossible, or at all events inconceivable, would infallibly be broken. The only way such agreements may be made effective is for Government to make powerless, or nearly so, the potential competitive elements or individuals in interest. This it does in several ways, or to be explicit, chiefly in three ways:

By Land Laws,

Tax Laws,

Laws Regulating (or that fail to regulate) the use of the steam highways of the country.

I know of no other source of monopoly unless it be our patent laws. But these being—originally at least—rewards of invention, the injury results from their misuse. Even the misuse of patent laws is not one of the chief potent influences in the per-

petuation of monopoly. But without, in most cases, adding to the power of monopoly, which derives its strength from other causes, it puts in the hands of the great combinations the power to arrest progress. The value to society of an invention is in its use. Under present misuse of patents, inventions are frequently held out of use and are often bought up and destroyed for the purpose of depriving competitors of the use of like improvements, or because such inventions would often reduce the machinery in present use to the value of old iron. Clearly, if industrial progress is to be made to yield its full results, some change in our patent laws is imperatively called for. Were the law of competition allowed to work freely, the use of such inventions, even under present patent laws, would be determined largely by the law of self-preservation.

Nothing less than the free use of an invention to everyone willing to pay a royalty to the inventor for its use will do justice to the inventor and meet, at the same time, the interests of the great public and the necessary demands of industrial progress.

The evils of the trust rivet the public attention, not because they are more real than the evils of monopoly *per se*, but because they are more obvious. In some respects the trust, by combining certain elements of monopoly, tends to make monopoly more perfect and its operation more harmful. But it simply avails itself of monopolistic institutions—that is to say, it is built upon land, railroad or tax monopoly; it takes to itself certain privileges which society has created and which have hitherto been appropriated and exercised by individuals. It therefore immediately makes these evils concrete. The trust is thus a manifestation, and the people, with their customary thoughtlessness, attack the manifestation rather than the thing itself—the fruit of monopoly rather than the tree.

The law of competition gives only to those who earn. But from the denial of this law (of competition) flows all existing inequality in the distribution of wealth. There are, it is true, great swollen fortunes, which seem unconnected with these artificial laws of monopoly. Some of these, while clearly not the result of greater enterprise or greater ability, seem to be due to

unningly arranged devices independent of existing monopoly laws. But this is so in appearance only. There are no such made-to-order arrangements of industrial combination that can be used for extortion. Competition is too keenly scrutinizing for such arrangements to go undetected.

Some of these gigantic fortunes are the result of stock speculation. But these are incidental, and are the profits and losses of the gambling fraternity—a game really played with the counters of monopoly, like “chips” in a poker game, and the transference of which from one to another enriches or depletes the finances only of those who play.

With the dissolving of these giant combinations, which would result from the removal of the laws of monopoly, would disappear the great host of gamblers and stock jugglers. The great fortunes that result from the granting of legislative favors would also disappear, since there would be no longer any legislative favors to grant. And so with many other unjust possessions. And with them would be banished forever much that corrupts our social and political life.—EDITOR.

LAND MONOPOLY IN THE UNITED STATES

The extent to which land in the United States is monopolized can be told in a few figures. These are so stupendous as to pass belief.

The Original Public Domain, according to Professor John Bell Sanborn, consisted of 1,835,017,692 acres of land exclusive of Alaska. Out of this vast total, 741,702,365 acres have already been "appropriated" and 132,441,774 acres "reserved." In 1899, 591,343,953 acres were supposed to be "vacant."

This appears no insignificant area, but most of it is inaccessible.

The Federal grants (according to a remarkable report entitled, "Lumber Industry, Part 1, Standing Timber, January 20, 1913, Department of Commerce and Labor, Bureau of Corporations") given to railroads amount to 190,000,000 acres of land—considerably more than the entire area of the States of Pennsylvania, Ohio, Indiana, Illinois, and several of the New England States. In addition to the generous Federal land grants which the railroads of this country have received, individual States have donated to the railroads other enormous tracts. For instance, Texas has kindly given to railroads 32,400,000 acres of its best lands. The State of Florida, the entire area of which is less than 35,000,000 acres, has given away 19,000,000 acres. In Minnesota the State has parted with 5,670,000 acres.

The Northern Pacific Railroad has grasped 57,920,000 acres of land on its main lines and an additional acreage of 42,500,000 on its branch roads—102,000,000 acres in all.

In most of the grants of lands to railroads, the Federal government imposed a specific condition: that the roads should be built within a certain time. Otherwise, the grants would lapse and automatically become government property again. Though many roads failed to comply with these conditions, the government has never brought suits to reclaim the lands in question.

Though much of the railroad land has been sold, there yet remains an enormous acreage in the hands of the various companies—estimated at at least 200,000,000 acres, including State as well as Federal land. On page 233 of the Government Report on Standing Timber above referred to, this sentence appears:

“The fact that today out of 17,000,000 acres of land granted nearly 50 years ago to several then distinct corporations as much as 13,888,000 (or about 80 per cent.) is still retained in a single ownership is of great significance to the public—for its one holder, by virtue of its retention of land grants, is today the largest owner of timber in the United States.”

Much of the land sold at 16c. an acre is now worth \$200.00 an acre, or more. H. H. Schwartz, former Chief of Field Service of the General Land Office, stated officially in 1909 with reference to the sale of certain lands: “These lands brought to the people or general government a gross sum of \$30,000,000. At the date of sale they were reasonably worth \$240,000,000. The profit of over \$200,000,000,” continues Mr. Schwartz, “went, not to the needy settler engaged in subduing the wilderness, but to the wealthy investors.”

The Government Report further states:

“There has been created not only the framework of an enormous timber monopoly but also an equally sinister land concentration in extensive sections. This involves a great wealth in minerals. The Southern Pacific has 4,318,000 acres in Northern California and Western Oregon and with the Union Pacific, which controls it, millions of acres elsewhere. The Northern Pacific owns 3,017,000 acres of timber land and millions more of non-timber land.”

The report of the bureau of corporations upon the vast holdings of the lumber lords of the United States, furnishes material for thoughtful consideration for the friends of equitable industrial development. The report shows that “1,694 timber owners hold in fee one-twentieth of the land area of the United States—105,600,000 acres, or an area two and one-half times the size of New England.”

Sixteen men hold 47,800,000 acres; three railroads hold enough

to give every adult male 15 acres in the nine States where their lands are located. In the upper peninsula of Michigan 45 per cent. of the land is held by thirty-two persons.

One-third of the entire State of Florida is held by fifty-two timber lords. Most of these vast holdings were obtained illegally through the bribery of congressmen and other public officials. The vast grants of public lands made to railroad and other corporations were obtained through official corruption. It was understood, at the time the grants were made to the railroads that the land would be redistributed to small holders. Of the 82,500,000 acres granted to the Pacific roads in the sixties they still retain about forty per cent.

The only way now left for the people to get back these lands is through the taxation of land values, irrespective of improvements, in the States in which these holdings lie.

The report of the United States Commissioner of Corporations show how concentrated is the ownership of timber lands.

In the Southwestern part of the State of Washington, 40 per cent. of the timber lands is owned by two holders.

In the western part of Oregon, five individuals own 36 per cent. of the timber lands.

In Northwestern California six individuals own 70 per cent. of these lands.

In the redwood district, ten individuals own more than half.

In the North central part of Iowa, four persons own 56 per cent. of the timber lands.

One-twentieth of the entire land area of the United States is owned by 1,694 proprietors of timber lands, that is, they own 105,600,000 acres. Sixteen individuals of the 1,694 own 47,800,000 acres.

A few instances of individual landholding may be given:

Washington—In the Southwestern part of this State two persons own forty per cent. of the timber lands.

Texas—A landholding syndicate owns land valued at \$3,000,000. The Taft Ranch includes 80,000 acres valued at \$2,000,000.

Oregon—Southern Pacific R. R. in Oregon owns nearly

3,000,000 acres of land. In the western part of the State 5 persons own 36 per cent. of the timber lands.

North Carolina—Mrs. Vanderbilt sold Pisgate Forest, 87,700 acres in four counties to the U. S. for \$5.00 per acre.

New York State—James W. Wadsworth, known as “the baron of Geneseo,” owns 29 miles from Rochester to Geneseo.

Kansas—A British land company owns 300,000 acres.

Mississippi—Lady Gordon and others own 2,000,000 acres.

Florida—One-half of the State of Florida is owned by 182 men whose combined holdings amount to 16,990,000 acres. Sir. Edward Reid is said to own 1,000,000 acres of this.

It is to the cities, however, that we must turn for the most striking instances of concentration of land ownership in a few hands, not in these cases in area but in value. The Society to Lower Rents and Reduce Taxes on Homes furnishes the following interesting figures:

The total assessed value of taxable land in Greater New York is \$4,643,414,776.

Thirteen families, out of the one million, one hundred thousand families in the city, are the owners of record of land in Manhattan alone, assessed for \$205,404,875. These families are known to own much valuable land in the other boroughs of the city. Their total land holdings in Manhattan average \$15,800,000 per family. These thirteen families own nearly one-fifteenth of the assessed value of the land of Manhattan—\$3,184,441,505—though there are at least 560,000 families in Manhattan, forty-three thousand times thirteen.

These thirteen families are: The Astors, the Vanderbilts, the Rhinelanders, O. B. Potter properties, J. P. Morgan, E. H. Van Ingen, Wendels, Goelets, Ehret, Gerrys, Chas. F. Hoffman Est., Wm. R. H. Martin, Eugene Hoffman.

The assessed value of the so-called “improvements” of these thirteen families in Manhattan is only \$59,212,775—a little more than one-fourth of the value of the land. The average small home owner has three times as valuable an improvement as his

land, but the total assessed value of land owned by the fifty odd thousand small home owners of the city is less than that of the Astor family in Manhattan, though their improvements are worth several times as much as those of the Astors, and the small home owners as well as all tenants of the city are taxed for the benefit of these and all other big land monopolists in the city.

Careful study of New York City indicates that less than two thousand persons own the major part of the land value of the city, and a very large proportion of the acreage. Their land is worth several times as much as their buildings, even in the built-up part of Manhattan.

A book much larger than this would have to be made to include similar figures for all the great cities of the United States. But they would tell the same story. Those who wish to pursue the subject further will find it admirably treated in Gustavus Myer's *History of Great American Fortunes*. In the Appendix to this volume will be found statistics relating to cities well worth the careful study of the reader. — EDITOR.

LAND MONOPOLY IN MEXICO¹

As the Mexican Indians of the XVI century were heathen, they had like other non-Christians forfeited all living rights on the planet and their country had been presented by Pope Alexander VI to the Spanish crown. The Spanish conquerors of 1521 carved the fertile Mexican valleys into *haciendas* (large estates) for themselves as landlords.

Vast numbers of the Indians were divided among the *haciendas* as serfs (*repartimientos*) while other were herded as chattel slaves to work the mines and build the roads. This slave system was enforced by a standing army recruited from Spain which controlled a population less than half of the present. The unenslaved Indians were finally kept quiet by the grant of *egidos* (communal tracts of land) a half century after the conquest.

The humanitarian Egido law was decreed by Philip in 1573 and was designed to protect the remaining free Indians from the greed and cruelty of the Spanish colonists.

During colonial times there were two classes of agricultural Indians in Mexico, the enslaved "peons" (serfs) of the *haciendas* and the free Indians of the *egidos*. The latter might work on the *haciendas* in harvest time but were economically independent of the *hacendados* (great landlords). A third class of hunting Indians was never numerous and was mostly confined to the northern deserts or tropical forests of the coasts.

The first revolution—that of 1810—was democratic and aimed to overthrow the feudal *hacienda* system as well as the Spanish power. It failed in its economic object, for when independence finally came it was under the rule of Emperor Iturbide and the creole *hacendados*. In 1856 President Comonfort nationalized and sold the church *haciendas*. This transfer had little effect

¹Excerpted from *El Latifundismo; su Origen y su Remedio*, by R. B. Brinsmade, published by the Federal Dept. of Fomento, Mexico City.

upon the feudalism of Mexico, as the church *haciendas* were nearly all sold undivided.

In 1910 at the start of the recent revolution the ownership and value of Mexican granted property was approximately as follows:

CLASS OF LAND	Area of Classes sq. miles	%	Value of Land U.S. currency	
			Sq. mil's	Total of Classes
11,000 haciendas	338,000	44	3250	\$1,100,000,000
18 Land Companies	31,000	4	1300	40,000,000
Other Land Companies	46,000	6	1300	60,000,000
Fundos and Egidos	46,000	6	1300	60,000,000
Small farms	153,000	20	5230	800,000,000
National Lands	153,000	20	Not	valued
Total rural land	767,000	100		\$2,060,000,000

This table shows an astonishing concentration of ownership; 11,000 *haciendas* occupy 44% of the total area and comprise much of the land of first class quality. The average size of these *haciendas* is 31 square miles or 19,840 acres. When, as often happens, one person owns many *haciendas*, his aggregate holdings become colossal.

Thus in Chihuahua Luis Terrazus has some 23,200 square miles, an area greater than Costa Rica; and in Hidalgo the Mexican Central Railroad owns 90 miles through the holdings of Jose Escandon. There are many other huge family holdings.

The 18 greater land companies average a holding of 1,720 square miles apiece, about the size of Trinidad; while a few dozen land companies own 10% of the total area, or half as much as the small farms and 67% more than the *fundos* and *egidos*.

The whole free population of Mexico is thus restricted to one-fourth of the total area, and this of the second quality or worse, while most of the present national lands are mountains, deserts or tropical swamps. Actually a few thousand individuals and a few dozen companies have legal power to lock out a nation of 15,000,000 people from the best half of its own country.

The final condition favoring both family and company land monopoly under Diaz was the unfairness of the tax-assessment due to the fact that the biggest landlords had most to say about

the size of assessments. It seems incredible but instances are not uncommon where small farmers paid on their holdings a dozen times as much per acre as the adjoining *haciendas* of the same quality of land.

Under Diaz the current sophism of the *hacendados* to reconcile compassionate foreigners to the pitiable condition of the peons, was: "Great estates have nothing to do with the misery of the masses, for the Indians wouldn't work the land if they were given a farm a piece." Not only is this assertion false in the light of history, both before and since the Conquest, but anyone can ascertain the truth for themselves by a little travel. I have ridden for miles through flat and rich valleys, owned by absentee millionaires, resident in the State capitals or in Europe, whose only human homes were the hovels found in the *hacienda* enclosures and tenanted by the wretched serfs of the land. The free Indians were restricted to the neighboring hills where they often had in close cultivation slopes as steep and barren as a shingle roof, while just below them stretched the monopolized valleys of poorly-utilized land.

The Mexican *haciendas* are modern representatives of the ancient Phoenician *latifundi*; they are the relics of the evil agricultural system of great estates, owned by absentees and worked by serfs, which ruined Carthage. From Carthage it was introduced into Italy, to later pervert the Roman Republic and Byzantine Empire and almost extinguish civilization in the long recession of the Middle Ages.

LAND LEGISLATION IN THE UNITED STATES¹

COLONIAL CHARTERS

The royal and proprietary charters of the thirteen American colonies established more or less arbitrary and undemocratic conditions of land tenure, such as restriction of labor, monopoly of trade, and church establishment, that sowed in our soil seeds of evil whose rank growth was either eradicated in later years only by bitter and even bloody contention, or still remains as a menace to free society, requiring constant vigilance to prevent it choking out the fruits of liberty emplanting at the same time.

The view that the individual man has a natural right to be free in mind and body was dawning upon the Englishmen who colonized America, and with it came the realization that free land was a necessary guaranty of this liberty of thought and action. However, just as they could not conceive of religious freedom except as extended to them, so they regarded the right to the use of the earth as a privilege accorded by one of the sovereigns who claimed dominion over the land in question by the factitious act of discovery.²

Thus because of the discovery of the region in 1498 by John Cabot sailing under the English flag, James I. in 1606 granted to two companies, the Southern Virginia or London Company, and the Northern Virginia or Plymouth (Eng.) Company, the right to settle and develop the American coast from Maine to the Carolinas.³

¹Adopted from *American Debates*, by the author Marion Mills Miller, Litt. D. G. P. Putman's Sons, New York.

²For a philosophical demonstration of the equal right of all men to the use of the earth, see *Social Statics*, by Herbert Spencer, chapter ix, edition of 1850.

³The particular English legal view of land sovereignty and tenure will be given later in the article as presented by Representative Galusha A. Grow in the debate on the Homestead Bill.

The two companies were authorized to colonize any subjects of England, and to these and their descendants were secured all civil rights enjoyed in the realm of England or other dominions of the Crown. The patentees were to hold the lands "as of the manor of East Greenwich, in the county of Kent," England, "in free and common *socage*" (civil tenure by fixed and determinate service), and not *in capite* (military tenure by indeterminate service), and they were authorized to grant the same to the settlers in such manner as the council of each colony (a local body appointed and removable by the Crown, and under the direction of a council in England) should direct. Colonists were prohibited from trade with foreign countries even by way of England.

Either from this grant or the original claim of discoverers sprang all the royal and proprietary governments of the colonies. Not only was it held that the Cabot discovery gave right to the seaboard, but to the hinterland of the entire continent extending in the latitude of the coast clear to the Pacific ocean, this claim being expressed in some of the charters. With this sovereignty was implicated the right to transfer the dominions, settled or unsettled, to foreign powers, and to acquire other dominions under the same title.

Virginia, settled by the London Company in 1607, was at first organized under Captain John Smith as a military commune, the land not being divided, but cultivated under direction of the governor. The expropriated Indians were hostile to the colony, and the settlers became greatly discouraged. Accordingly, in 1616, the land was divided in severalty in order to cultivate the spirit of private enterprise and independence. That it so operated in the second respect was indicated by a demand for greater self-government, which was granted in 1619 by the Company in the form of a colonial legislature. In the same year 1200 servants came over from England and negro slaves were introduced by a Dutch slaver. Tobacco began to be exported in large quantities, and thereafter the colony was self-sustaining.

In 1624 James I. assumed sole authority over all the American plantations. The Virginia assembly was no longer convened.

However, in 1641, in response to a firm demand by the colonists, it was re-established by Charles I. under a new governor, Sir William Berkeley. But Berkeley, by refusing new elections, gradually converted the legislature into an oligarchy of owners of great estates in the eastern part of the colony. Against this the great body of the people, small freeholders and dissenters in religion, chiefly located in the western part, bitterly protested, demanding a freer land-grant system, and better protection against the Indians. These being denied, they rose in arms in 1676. Owing to the death by malaria of their leader, Nathaniel Bacon, on the eve of victory, Berkeley triumphed, and punished the "rebels" by wholesale executions and confiscations of property.

The aristocracy of the tide-water region continued to rule the assembly down to 1763, when an investigation of the finances of the colony, forced by the up-country party (which also had advocates, such as Richard Henry Lee, in eastern Virginia), showed wide-spread corruption, and resulted in the downfall of the oligarchy. The new and democratic House of Burgesses set to work to reform the abuses. At the instigation of the dissenters the House reduced the stipends of the established clergy. Patrick Henry established his reputation as the most eloquent speaker in the colony by successfully conducting the test case against the clergy.

Although the Pilgrims had settled Plymouth, New England, in 1620, it was not until 1629 that they received a royal grant of territory and a patent for their Company. The Company made free land grants to groups of colonists, each colony, while preserving title, apportioning the land to its members. This was the rule of all the New England colonies, until, the desirable lands having been taken up, rental value arose, and the present system of land purchase under deed was gradually adopted. The early system of settlement caused the "town" (the township as distinct from the village) to be the political unit of New England.

The Puritans settled Massachusetts Bay under royal charter granted in 1629. "One-fifth part of all ore of gold and silver" discovered was to go to the Crown.

On the accession of James II. in 1684, an arbitrary royal government under Sir Edmond Andros was established over all the northern colonies, including New York, which was called the "Dominion of New England." The old government was restored on the accession of William and Mary, and in 1691 New Plymouth colony was incorporated into Massachusetts Bay colony under a charter granted to the latter. Maine and Acadia (Nova Scotia) were included in the colony.

The charter established a colonial legislature, requiring, however, that representatives be freeholders elected by freeholders—a property qualification. Jurisdiction over fishing rights off the coast was reserved to the Crown. The legislature on its first assembly ordained that it alone could lay taxes, and declared all lands free from escheats and forfeitures except in case of high treason.

In 1692 New Hampshire was established by royal charter. A boundary dispute with Massachusetts followed, which was not settled until 1741, when the present line was fixed by the Crown. Later, the western boundary was fixed at the Connecticut river, the territory of the present State of Vermont being assigned to New York, though it had been settled from New Hampshire. The settlers did not accept the decree and an insurrection ensued, Colonel Ethan Allen leading his "Green Mountain Boys" against the royal authorities. The Revolution then began, and the boundary controversy became one between States. Vermont established an independent government under a constitution, which, however, was not recognized by Congress. In 1782 New Hampshire, and in 1790 New York agreed to the present boundaries of Vermont, and in 1791 the State was admitted into the Union.

In 1639 Sir Ferdinando Gorges obtained a royal grant of the "Province of Maine." He was made "Lord Palatine," with all the powers, royalties, etc., belonging to the bishop of the county palatine of Durham, Eng., which was frequently cited in the debates in Parliament on the "right to tax America" as a county without representation in Parliament, being under the supreme authority of the Crown. The government of the Province was subordinate to the royal Board of Trade.

A controversy over jurisdiction arose with Massachusetts. The privy council of the Crown adjudged the claim of Massachusetts void, and so that colony purchased the title of Gorges to the Province in 1677, and governed it as a dependency until 1691, when it was made a part of Massachusetts. Maine was admitted into the Union as a separate State in 1820.

The Hartford section of Connecticut was settled from New Plymouth in 1634-35, under a similar government. In 1659 a property qualification was required for suffrage. English Puritans, who had sojourned a year in Boston, settled New Haven, purchasing their land from the Indians. They also settled eastern Long Island. For a time they were governed by "the judicial laws of God as they were declared by Moses," the common-law of England being ignored. However, this government did not last long enough to put into operation the land policy of the Hebrew lawgiver.

The Hartford colony secured from Charles II. in 1662 a grant of territory and government for the whole of Connecticut, that complaisant king, always generous in disposing of others' rights and property, not consulting the will of the New Haven theocracy. New Haven resisted, and it was not until 1665 that union with Hartford was effected.

Roger Williams, a preacher at Salem, Mass., came into conflict with the authorities by teaching that the civil power had no proper authority over the consciences of men, and that the patent from the Crown conveyed no just title to land, which should be bought from its rightful owners, the Indians. Forced into exile, he put into practice his doctrines in the colony of Providence, which he founded in 1636. Two years later men of similar opinions settled the island of Aquidneck, which they renamed Rhode Island. In 1644 Williams obtained a royal charter for the combined settlements. Conflicts arising between the settlements and with Connecticut, a new charter settling these was obtained in 1663.

In 1643 a confederacy was formed of "The United Colonies of New England." Rhode Island was excluded, because her territory was claimed by New Plymouth. The confederacy

was a model for the Confederation of the United States, our national government preceding that under the Constitution, having similar powers, among them the settlement of boundary disputes, the great cause of discord between the colonies. It lasted until the Andros government.

Charles I. granted Maryland to Cecelius Calvert, Baron Baltimore, in 1632, for the perpetual payment of two Indian arrows each year. It was settled by Roman Catholic gentlemen and their adherents. Freedom of religion and security of property were guaranteed. Fifty acres of land in fee simple were given to each emigrant. Said George Chalmers, an historian of America, in 1780: The wisdom of this policy, "soon converted a dreary wilderness into a prosperous colony."

New York was settled by the Dutch under claim of discovery, conflicting with that of Cabot, by Henry Hudson in 1609, this English navigator being in the service of the Dutch East India Company. The New Netherland Company, and its successor, the West India Company, were chartered with a monopoly of the fur trade of the Atlantic coast. In 1623 the province of New Netherland was organized under management of the chamber of Amsterdam. Colonists were sent over, and in 1626 Manhattan island was purchased for \$24 from the Indians, and settled under Peter Minuit, the first director-general. Trading posts had already been established on the Hudson river at the present Albany, on the Delaware and on the lower Connecticut.

In 1629, the New Netherland Company issued a Charter of Privileges and Exemptions, permitting every founder of a colony of fifty persons to receive in perpetuity a great tract of unoccupied land extending indefinitely backward from sixteen miles of sea-coast or river-shore, or from eight miles of opposing river-shores. Such founders were called "patroons." Though theoretically limited in power of government, practically they were autocrats. All the favorable tracts were taken up by the directors of the Company, and let out to settlers on perpetual leases. This afterwards caused great contention in the colony, and the land titles of the patrons being continued in the hands of a few powerful families under the succeeding English rule, the controversies arising from

them continued down to the Anti-Rent agitation in New York, which was terminated by the adoption in 1846 of a new constitution for the State, abolishing feudal tenures and limiting future leases, and thereby causing the great landowners to divide and sell their estates.¹

In 1664, Charles II. erected into a province the territory from the Connecticut River to Delaware Bay, and granted it to his brother James, Duke of York and Albany (afterwards James I.). Colonel Richard Nicolls was appointed governor and sent over with an expedition to seize the province. By making favorable terms he caused the prominent citizens of New Amsterdam to induce Peter Stuyvesant, the director-general, to surrender the city without fighting.

The private rights of the Dutch were preserved under English rule, and names of important places only were changed for English names, such as Albany and New York.

New York was made a part of the Dominion of New England under Andros in 1686. On the accession of William and Mary Jacob Leisler seized the rule of the colony. In 1691 he was executed for treason by a new governor, Colonel Henry Sloughter, sent over from England. Sloughter convened an assembly which gradually acquired practical self-government for the colony.

New Jersey, first settled by Dutch and Swedes, was, on the capture of New Amsterdam, erected into an English province, and granted to John Berkeley (Baron of Stratton) and Sir George Carteret. In 1676 it was divided between the two proprietors into East and West Jersey. To William Penn and his Quaker associates, as purchasers of the Berkeley claim, was assigned West Jersey. Penn drew up for the colony a constitution under the title of "Concessions," intended to be as near as convenient "to the primitive, ancient, and fundamental laws of the nation of England." It established freedom of religion, and quasi-democratic government under a governor and representative assembly.

Penn and his associates bought East Jersey in 1679. There

¹For arguments in favor of the landlords see James Fenimore Cooper's novels, *Satanstoe* (1845), *The Chain Bearer* (1845), and *The Redskins* (1846).

was great dissension between the two Jerseys, which was composed by their union as one royal province in 1702.

Pennsylvania, as New Jersey, had been settled by Dutch and Swedes, and like it, came under English rule in 1664. Charles II. granted it to William Penn in 1681 in payment for debts he owed to Penn's father, the Admiral. Penn drew up a constitution for the colony which contained some of the principles of James Harrington's utopian book on government, *Oceana* (1656). Algernon Sidney probably aided him, also. It embodied the principles of the West Jersey "Concessions." In 1683 Penn made a treaty with the Indians purchasing their lands, and founded Philadelphia as the capital of the province. The next year he returned to England. Dissensions arose in the government of the province during his absence, and King William, already displeased with Penn for his political opinions, placed Pennsylvania under the governor of New York. However, Penn was restored as proprietary, and, in 1699 he returned to Pennsylvania, and changed its governmental policy to suit conditions of the time, compromising with Quaker principles by taking forcible action against piracy, and reforming the abuses of slavery without prohibiting its practice. He revised the charter in 1701. In 1790 the proprietary rights of Penn were purchased by the State by pensions to his heirs, which were commuted in 1884 by a lump sum of \$335,000.

A boundary dispute with Maryland which began in Penn's day was settled in 1763-67 by the establishment of Mason and Dixon's line, so-called from its surveyors.

Delaware was at first a part of Pennsylvania. A separation took place in 1703, by which it acquired its own legislature.

In 1662-63 Charles II. made a grant to Edward Hyde, the Earl of Clarendon, and others, of the territory on the Atlantic Ocean between Virginia and Florida extending westward to the South Seas; and erected it into a province named Carolina after himself. The grantees were endowed with palatine powers. There were two distinct groups of settlements, one in present South Carolina, and one in present North Carolina, each with an assembly of its own. This popular rule was superseded in

1669 by a fundamental constitution drafted by the philosopher John Locke, whose declared purpose was to "avoid making too numerous a democracy."

The constitution created two orders of hereditary nobility, endowed "with suitable estates." A provincial legislature, dignified by the name Parliament, was instituted, consisting of the nobility and representatives of the freeholders, the power, however, being safeguarded in the hands of the nobles. The Church of England was established and civil rights were denied to all who did not acknowledge God. To citizens was given absolute power over their slaves.

After a few years' experience of this government the plain people, who did not appreciate its theoretical perfection as designed by the philosophical author, but who realized its cumbersome working and tyrannical effects, demanded a return to the old, simple government with its democratic assemblies. The proprietaries obeyed the will of the people in 1693, too late, however, to preserve their power, for Locke's constitution had introduced a discord into the colony which divided the people sharply into the warring classes of aristocrats and democrats, and eventually led the proprietaries (in 1729) to surrender the province to the Crown.¹

The province was divided into North and South Carolina in 1710.

In 1732 George II. gave a charter to James Edward Oglethorpe, a philanthropist, and his associates to colonize Georgia, largely with men who otherwise would be imprisoned for debt. Slavery and rum were prohibited. Says Horace Greeley, in his *American Conflict*:

"The spectacle of men, no wiser nor better than themselves, living idly and luxuriously, just across the Savannah River, on the fruits of constrained and unpaid negro labor, doubtless inflamed the discontent and hostility of the Georgia ne'er-dowells. As if to add to the governor's troubles, war between

¹Locke was thirty-seven years old when he wrote this constitution. Later in life he adopted more democratic theories, writing at the age of fifty-eight his *Civil Government*, in which he presented Single Tax ideas.

Spain and England broke out in 1739, and Georgia, as the frontier colony, contiguous to the far older and stronger Spanish settlement of East Florida, was peculiarly exposed to its ravages. Oglethorpe returned to England; the trustees finally surrendered their charter to the Crown; and in 1751 Georgia became a royal colony, whereby its inhabitants were enabled to gratify, without restraint, their longing for Slavery and Rum."

THE LAND QUESTION IN THE REVOLUTION

That the land question was fundamental in the dispute between America and Great Britain which culminated in the Revolution is indicated by the protest of the Massachusetts house of representatives in 1768 against the taxes imposed by Parliament as violative of the original contract between the Crown and the settlers that "if these adventurers, at their own cost and the hazard of their lives would purchase a new world and thereby enlarge the King's dominions," they should enjoy all the rights of "His Majesty's subjects within the realm" including freedom from taxation in which they had no voice.

In order to bring the colonists to terms the British government restricted the right of the colonists to "the use of the earth" by prohibiting their fishing on the banks of Newfoundland. It also made it difficult to procure grants of the crown lands; this Burke represented in his great speech "On Conciliation with America," as a grievous invasion of the natural and divine right of man to "occupy and replenish the earth." This action of the British government Thomas Jefferson made a chief reason for separation from the mother country, charging that the King had "endeavored to prevent the population of these States" by restricting the laws for naturalization, refusing to pass others to encourage migration hither, "and raising the conditions of new appropriations of lands."

THE LAND QUESTION IN THE CONFEDERATION

The land question played an important part in the Union of the States under the Articles of Confederation. It was by the advice of Dr. John Witherspoon that the value of landed property was adopted as a standard in apportioning the contributions of

the States to the Federal treasury, and it was only through his error in not excluding therefrom the value of improvements (labor products) that assessment was made difficult, so that the standard was changed to population. Population was also made the standard of representation. After a bitter sectional controversy over the counting of slaves, a compromise was reached by reckoning five slaves as three freemen, which method being continued under the Constitution caused the recognition of slavery in our national charter, and so made its abolition a political issue requiring the arbitrament of war, instead of a merely economic one, capable of settlement by compensation. Pelatiah Webster, called "The Adam Smith of America," in his *Dissertation on the Constitution* (1783), proposed the value of land alone as a natural and just standard of determining contributions to public revenue, in that this value was created by population.

The disposition of the vacant and unpatented western lands was also a leading subject of controversy in Congress during the deliberations over the Articles of Confederation. It was proposed in 1777 that Congress should fix the western bounds of each State, and lay out the lands beyond such bounds into new States. Maryland voted for this; New Jersey was divided on the proposition, and the other States were opposed to it.

In 1779 the Articles of Confederation were ratified by all the States except Maryland, which insisted on an amendment thereto securing the western lands for the benefit of all the States in common. New York, with claims to western lands bordering on Lake Erie, patriotically led the way to a complete federation of the States by empowering her delegates, in 1780, to permit Congress to fix her western boundary, and take over the lands thus excluded "for the use and benefit of the United States. . . . and for no other use or purpose whatever." Congress recommended similar action to the other States with western lands, and, in compliance, Virginia, on January 2, 1781, agreed to cede to the United States all her claim to lands northwest of the Ohio. On March 1, Maryland ratified the Articles of Confederation, thus completing the Union.

THE NORTHWEST TERRITORY

New York formally ceded the lands west of her present boundary to the United States in 1781. Virginia consummated her cession in 1784; Massachusetts ceded her claim to lands west of New York in 1785; Connecticut, her claim to lands in the same region in 1786. Virginia and Connecticut, however, reserved for special purposes, such as pensions to soldiers, certain lands, the former State retaining a considerable area in what is now southern Ohio, which was known as the Virginia Military District, and the latter State retaining 3,250,000 acres in northeastern Ohio known as the Western Reserve.

At the time of Virginia's cession (March 1, 1784), Thomas Jefferson, as chairman of a committee on organization of the territory, reported a temporary plan of government. It provided "neither slavery nor involuntary servitude except as a punishment for crime," should exist in the Territory after 1800. This proposition was negated by seven States on April 23.

Finally, on July 13, 1787, while the Constitutional Convention was in session, Congress organized the region into the "Northwest Territory." Nathan Dane, an eminent jurist of Connecticut, was chairman of the committee that drafted the ordinance and he caused the insertion in it of Jefferson's prohibition of slavery, making this, however, to take immediate effect.

The ordinance prescribed a Territorial government to be exercised by a governor, with veto power, appointed by Congress; a legislative council selected by Congress from nominees of the popular house; and a House of Representatives elected by the inhabitants. Property qualifications were prescribed for electors and legislators. The legislature, (council and house) were to elect a delegate to Congress, to speak on matters affecting the Territory, but not to vote. The assembly were prohibited from making laws repugnant to specified "republican" principles (which were shortly to be expressed in the Constitution and the first ten amendments thereto). The assembly were enjoined to encourage education, and keep faith with the Indians. They were not to interfere with the disposi-

tion of public lands by the United States, nor tax these, nor interfere with river navigation. Congress had power to transform the Territory into a State when it saw fit.

In August, 1787, South Carolina completed the transfer of western State lands to the United States government by ceding all her claims to territory west of the Appalachian divide. In the subsequent organization of the western lands of the South into Territories, after some controversy, the prohibition of slavery was not applied.

THE LAND QUESTION IN THE CONSTITUTION

The question of whether the European or American theory of sovereignty was thus incorporated in the government of our Territories (for the Constitution ratified the principle here adopted), was extensively debated in Congress from the controversy over the admission of Missouri (1819-21) down to the Civil War. The true view would seem to be that of Senator Daniel Webster. He opposed the "popular sovereignty" theory of Senator Lewis Cass and Stephen A. Douglas, saying that the Territories were not regarded by the Constitution as a part, but as a dominion of the United States, being under the complete control of Congress, which could regulate them, and even sell them to other powers, regardless of the will of the inhabitants. And the same power, by implication, extends to any colonies, if the constitutionality of their acquisition, which has been denied, is granted. This point is applicable to Porto Rico and the Philippines. When Territories or colonies become States, however, the democratic or American theory of sovereignty supersedes the monarchical or European. The extreme advocates of State rights in the debates on slavery and secession, such as Senators James C. Calhoun and Jefferson Davis, upheld the European view of sovereignty, and repudiated "popular sovereignty," and with it the preamble of the Declaration of Independence.

THE LOUISIANA PURCHASE

When a vast domain was added to the United States by the Louisiana Purchase in 1803 under Jefferson's administration,

the question of the nature of the title acquired greatly troubled the democratic President, since the territory was taken over without consulting the will of the inhabitants. Jefferson had stated in the Declaration of Independence that "governments derive their just powers from the consent of the governed." Opposed to this was the need of acquiring Louisiana for national defense. The treaty with France, which had acquired title to Louisiana from Spain without consent of the persons affected, could be made only by recognizing the European principle of sovereignty. However, he relied upon the early admission into the Union of the settled portions of the domain by vote of the inhabitants to "cure" the inconsistency.

SALE OF PUBLIC LANDS

During the Constitutional Convention Dr. Benjamin Rush, of Philadelphia, proposed that only one region at a time of the public domain be thrown open for settlement, in order quickly to develop it into a State—a most unwise suggestion in that, if it had been adopted, it would not only have restricted the right of men to the use of the earth, but also have fomented bitter sectional strife. The natural method, which prevailed, was that emigrants from the original States should cross the mountains in the same latitude, carrying with them the customs and institutions prevailing in their old homes, and thus forming homogeneous communities.

The plan adopted was to sell the lands at auction to the highest bidders, with an arbitrary minimum price. As lands were plentiful at the beginning, and the minimum price was low, the new country quickly filled with inhabitants. Within the next generation, however, the best lands east of the Mississippi were taken, and the late comers, as well as some of the older settlers of the pioneer instinct which impelled them ever westward, sought for homes in the Louisiana Purchase beyond the great river. But the minimum price fixed by government was too high for many of these emigrants, and the method of sale by auction encouraged speculators with capital to buy up the best lands (easily "carried" because of little or no taxation) and hold

them until the increasing demand enabled the monopolists to dispose of them in private sale at great profit. Accordingly there arose in the trans-Mississippi region a great outcry for a change in the method of disposing public lands in order to encourage the sale of land to actual and immediate users. The complaint was most vociferous in Missouri, whither after the close of the Second War with Great Britain there was a great influx of immigrants, causing wild speculation in land, with its inevitable accompaniment, inflation of the currency, the Bank of St. Louis being established in 1816 with power to issue bank-notes. The great demand for land caused the rapid extinguishment of Indian titles, but this only temporarily stayed the earth hunger owing to the rapid monopolization by the speculators of the rich regions thus opened to purchase.

Accordingly, when Thomas Hart Benton, in the prime of life (he was thirty-nine years old), entered the Senate in 1821 as one of the two representatives of the new State in that body, he applied himself to the reform of the public-land policy of the government.

In 1824, 1826 and 1828 he introduced in the Senate bills for the reform of the grants of public lands.

These advocated: (1) a pre-emption right to actual settlers; (2) a periodic reduction according to the time the land had been in the market, in order to make the prices correspond with the quality; and (3) the donation of homesteads to poor but industrious people on condition that they would improve the land, cultivate it for a given number of years.

Although his proposition was generally ignored by the Senate, who had come to look on the public lands merely as a source of national revenue, he so educated the people of the country in the view that the primary purpose of the national domain was to furnish homes for the people, that in response to public sentiment President Jackson (with whom he had become thoroughly reconciled) indorsed his ideas in his annual message of December 4, 1832, and repeated the recommendation in that of December 7, 1835,¹ with the result that Congress enacted a law recognizing

¹See *Messages and Papers of the Presidents*, by James D. Richardson, vol. ii., p. 601; vol. iii., p. 162.

the pre-emption rights of so-called "squatters" upon the public lands.¹

DEBATE ON THE FOOT RESOLUTION

Benton was also a leading speaker on the resolution presented in the Senate by Samuel A. Foot (Conn.) on January 19, 1830, inquiring into the expediency of a temporary suspension of the sale of government lands. He spoke in favor of a free grant of the lands to actual settlers, presenting the arguments he had urged in 1828. He was supported by Robert Y. Hayne (S. C.), who desired the free distribution not so much for the sake of the settlers as because it would keep large sums of money out of the Federal treasury, and so remove the danger of corruption and diminish that of "consolidation" of the general government. Said Hayne:

"The true policy may be summed up in the declaration that (the lands) should be administered chiefly with a view to the creation of great and flourishing communities, to be formed into free and independent States, to be vested in due season with the control of all lands within their respective limits."

This debate developed into a general discussion of the nature of the Union and the sovereignty of the States, with particular reference to "nullification" of the Federal tariff which had been threatened by South Carolina, under the leadership of Calhoun, now presiding over the Senate as Vice-President. Webster was the leading opponent of Hayne.² Undoubtedly but for the nullification controversy the most fundamental of our economic problems, the democratic distribution of the public lands and the consequent abolition of poverty and establishment of an impregnable patriotism as our national defence, would have received an early solution.

Senator Benton was at this time instrumental in securing the

¹For Benton's great speech on "Free Land the Cure of Poverty," delivered in the Senate on April 28, 1828, see *Great Debates in American History*, edited by the present writer, vol. x., page 7.

²For the great debate between Webster and Hayne see *American Debates*, vol. i., chapter xi.

enactment of a law throwing open for occupancy the mineral and saline lands of Missouri, which had been reserved from public entry. Despite the reservation of the latter lands, making salt unnaturally dear in the Mississippi valley, this necessary commodity was subject to a tax, at which the people of the region loudly complained. Benton, with unusual persistence even for such a resolute tribune of the people, fought the tax throughout the session of 1829-30, with the result that it was abolished.

Benton gradually became more interested in finance than the land question, and it remained for others to take up his fight to secure "land for the people," especially in the form of his proposition to give them free homesteads, and to push it to a successful conclusion. The leader in this contest was Andrew Johnson, of Tennessee.

THE HOMESTEAD LAW

During the session of 1849-50 Representative Johnson introduced in the House a bill to grant to every head of a family a homestead of 160 acres out of the public domain, conditioned only on its occupancy and cultivation. It was referred to the Committee on Agriculture, who reported it to the House, whereupon it was referred to the Committee of the Whole, where, said one of the later speakers on the bill—Joseph Cable (O.)—"it took the infidel's eternal sleep." Mr. Johnson brought it up again in 1850-51, when it was again smothered. Finally, on March 3, 1852, he succeeded in getting it before the House, where it remained the chief subject of discussion throughout the remainder of the session. Owing to the rising question of slavery in the Territories, the Southern Representatives were in general opposed to a measure which would fill these regions with a free population of laboring men, inflexibly antagonistic through self-interest to slave labor, as was already seen in the unanimous determination of California immigrants, many of whom were slaveless laborers from the South, that the "Golden State" should remain forever rid of the iron shackles of bondmen. A few New England men, with a remainder of the old spirit of Federalism, antipathetic to the preponderance of the West in

political power, and regarding, with Webster, the public lands chiefly as a source of national revenue, joined with the Southern statesmen in opposing the measure. For an extensive report of this debate see *Great Debates in American History*, vol. X, chapter i. There is space here to present only a few extracts from the speeches of the advocates of the bill, who were Mr. Johnson, of Tennessee; John L. Dawson, Galusha A. Grow and Joseph R. Chandler, all of Pennsylvania; Charles Skelton, of New Jersey; and Joseph Cable and Cyrus L. Dunham, of Ohio.

Mr. Dawson opened the debate by presenting statistics showing that, at the existing rate of disposition of the public lands, it would take nine hundred years to get them into the hands of the people.

"It would be justice to the new States, to convert the public lands within their borders into private property, and, by thus subjecting them to taxation, give sorely needed revenue to the young commonwealths."

Referring to the pre-emption system that had been adopted in Jackson's administration, he spoke of the stimulation it had given to emigration and settlement, but that this had passed; the lands, because of the inability of the squatters to pay for them in the time set by the government, having fallen into the clutch of the speculator, the hardy pioneer being driven again into the wilderness.

"Certainty and reliability were necessary elements in a land system. If these were assured, the heart of many an honest poor man would be nerved to secure a home, even on the confines of civilization."

Mr. Cable ascribed to monopoly of the soil the chief evils that affect the world: war, oppression, poverty, vice and crime, and pointed to the unhappy condition of Ireland as proof of his claim.

"The identical year¹ in which we were sending over our vessels loaded with the necessities of life, there was raised in

¹The potato famine in Ireland lasted from 1845 to 1847. Its victims were 500,000, and more than 1,000,000 Irishmen emigrated by 1848 to America.

that stricken island and shipped to the landlords in England more than \$1,000,000. worth of provisions.

"Had the boundaries of our beloved country been confined to. . . . the original thirteen States, this people, too, would have been, ere this, trodden down by the iron heel of usurpation. . . . The Shylocks—bankers with their paper issues, stock-jobbers, speculators, with their auxiliaries—would have monopolized the entire soil of this country long ago, and put the people under contributions. But. . . . our widely extended domain has thrown an insurmountable barrier in the way."

Mr. Cable opposed the theory of government sovereignty over land, claiming that the title rested with the people, the source of sovereignty, and not with their agent.

"Congress has the disposition thereof in trust. . . . The fee simple is in man, not of this nor the other generation, but of the whole people in all time to come."

He showed that man was an animal requiring access to natural opportunities to exist, and therefore with an inalienable right to land. On this right was based all other natural rights. A government which denied this right was therefore guilty of usurpation, fraud, and hypocrisy, and would ultimately be replaced by a righteous one.

"Moses prophetically declares that 'the land shall not always be sold;' and this prophecy will be fulfilled on this continent sooner or later."

The speaker justified the Fathers in selling the public domain for profit, since the government was poor and the national debt was heavy. But the last dollar of the debt was paid off under Jackson.

"The whole system should then have been changed, as the patriot Jackson recommended. But no!—the demon (of land monopoly) held dominion in these halls to stifle justice and insult humanity."

Mr. Cable then applied the Jeffersonian philosophy of natural right to the subject.

"Free government, that by 'consent of the governed,' could not be enjoyed by people dependent on landlords. Every polit-

ical right is based on a natural right. If you destroy man's natural, inalienable right to the soil, you also destroy the virtue and stability of land titles arising therefrom."

He spoke at length of the benefits of the measure:

"It would lift the tenant farmer into a freeholder. The former now realizes only one-fourth of what he earns, half going to the landlord, and a quarter in the way of taxes, tariffs, etc.

"It would relieve the congestion of cities, where men, women, and children are huddled together in poverty, disease, vice and crime.

"It would add millions of acres to the tax list, and so replenish the empty treasuries of States and Territories.

"It would increase the demand for manufactures of all sorts. It would be the true encouragement of industry. While other classes are invoking the power of this government to enable them, under protective tariffs, to abstract still more and more of the reward of labor, the mechanics and farmers ask you only to remove your clogs which hang upon their rights like an incubus."

Mr. Skelton advocated the bill as a relief to the starvation wages paid laborers in the settled States, because of their under-bidding each other for the jobs that are too few to go round.

"How can a man getting fifty cents a day support a wife and family and pay a heavy rent? And yet that is the pay that many of the laboring men get in my part of the country. Is it possible for such a man ever to acquire sufficient funds to purchase a farm in the West and take his family out there?

"When a man is compelled to work sixteen hours a day for a mere pittance, how can he pay any attention to the culture of his mind? How can he educate his children? This is a question which involves not only the wealth and happiness of the nation, but the physical and moral health of the rising generation. . . . Why, I saw a statement not long since that twenty thousand women in New York were earning their living by their needles—toiling on, day after day, for a quarter of a dollar *per diem*."

"A MEMBER. Why not give the land to them?

"MR. SKELTON. Had we given the land to their fathers and grandfathers they would not be found there."

The speaker then answered an objection to the bill as an inequitable use of property common to all the people by saying

that the 160 acres proposed to be given to each settler was much less than his per capita share of the public domain and therefore did not impair the right of any citizen who did not take up land.

Mr. Skelton then replied to the argument that revenue from the lands was needed to promote the commerce of the nation.

"If we have no industry, what will be our commerce? The agricultural and manufacturing arts come before exchange of their products. What are we doing for commerce? We spend on our navy some seven or eight millions annually. What are we spending on agriculture? Not one cent. . . . Let us turn our attention to production, and trade will take care of itself."

Mr. Dunham spoke on the central theme of bringing idle men to idle land and so creating national prosperity.

"There is little difference between hoarding money and hoarding land.

"New England, with the development of manufacturing due to the free-land policy, will fill up with factory workers from other countries."¹

The speaker then showed that what was lost to the Treasury in land revenue was more than made up in additions to revenue from goods imported by the prosperous settlers. He then replied to the objection that lands would be granted on the same free terms made to American citizens, to foreign immigrants, who were revolutionary in their opinions, and so would disturb our politics.²

"They may come here with a little exuberance of republicanism, having just escaped from the shackles of tyranny which have fettered their spirits and restrained their energies; but give them land to cultivate, and labor will soon sober down their judgments, and teach them the important lesson that that only is true liberty which is regulated by law."³

He said that the glory of America, as noted by foreign visitors, was, not in magnificent public buildings and splendid armies

¹A prophecy whose fulfillment proves the prescience of the speaker.

²A great number of German and Irish had fled to America since 1848, the Year of Revolution in Europe.

³Another prediction which has been remarkably fulfilled.

and navies, but in the homes of its people, "belonging, not to some mercenary landlord, but to the dweller, and therefore improved and beautified by his own honest industry.

"The government derives every dollar of its revenue from the people. It can, therefore, give them nothing. Is it right to withhold from them access to their basic property, mother earth?

"I have often admired that lofty expression of the great Tecumseh—for he was one of Nature's great men, uttering her voice—who, when General Harrison, negotiating a treaty with him ordered a chair to be brought for the chief, and said that 'his father' desired him to take a seat, drew himself up, as only can he who feels the dignity of man, and replied: 'My father?—The Great Spirit is my father; the Earth is my mother, and upon her bosom will I repose;' then he reclined upon the ground that is the common mother of us all."

Mr. Grow began his speech in the same philosophical vein.

"Man being a land animal, every person has a natural right to as much land as is necessary for his support. Land, therefore, is not property in the sense in which are the products of labor applied to land. For the only true foundation of any right to property is man's labor. What right, therefore, has one more than another to land to which not an hour's labor has been applied?

"Blackstone in his *Commentaries* said that 'there is no foundation in nature or natural law why a set of words upon parchment should convey the dominion of land.' Use and occupancy alone give to man 'an exclusive right to retain, in a permanent manner, that specific land which before belonged generally to everybody, but particularly to nobody.'

"It is said, 'True, such was man's right in a state of nature, but when he entered into society, he gave up part of his natural rights to enjoy the advantages of an organized community.' This I deny. It is a doctrine of despotism. It was not necessary that any of man's natural rights should be yielded to the State in the formation of society. All he needed to yield was the manner of the exercise of these rights. When government encroaches on the rights themselves, then men may rightly appeal from human to divine law, and rise and abolish the government. That government alone is just which defends all of man's natural rights, and protects him against the wrongs of his fellow man."

Mr. Grow here gave a disquisition upon the origin and nature of the claim of Eminent Domain by government.

"This had its origin in the maxim that whatever was capable of ownership must have a legal and determinate owner. Therefore the title of land not appropriated by individuals was vested in the king as the head of the State. It is not necessary to speak here of all the wrongs inflicted on man under this monarchical doctrine. The claim of the United States government to land is based on the right of discovery by the European nations from whom it has derived title. It might be proper that a nation which has sent forth a fleet and discovered land should have jurisdiction of the laws of the community settling the territory, but how can it acquire the right of proprietorship which individuals cannot acquire by the same process?

"Why has this claim to monopolize any of the gifts of God to man been confined, by legal codes, to the soil alone? It is because it originated in feudalism, which regarded man as an appendage to the soil, whose labors were but the means of increasing the pleasures of his liege lord. This regard, having found a place in the books, has been retained by the reverence men pay to custom and precedent. It is twin to the acceptance of the doctrine of the divine right of kings, an equal source of violence and wrong. It is time we wiped out from our statute books the lingering relics of feudalism, ingrafted by the narrow policy of olden times, and adapted the legislation of the country to the spirit of the age—the true ideas of man's relations to the State.

"The present antiquated land policy has opened the door to the wildest monopoly—one of the deadliest curses that ever paralyzed the energies of a nation or palsied the arm of industry."

Here the speaker cited the effect of land monopoly in England where men were dying for want of land to till beside vast manors hedged in as sporting grounds for the nobility.

"Thirty thousand men hold the title deeds to the soil of Great Britain, and two and a half million Irish tenants pay annually \$20,000,000. to absentee landlords for the privilege of dying on their soil.

"Our system is subject to like evils, though not as yet of the same magnitude. Let the public domain, therefore, before it is too late, be set apart as the patrimony of labor to prevent its absorption by capital which would transform the blessing of the race into its curse."

Mr. Chandler replied to the charge, made by Richard I. Bowie (Md.), that the bill was a manifestation of "agrarianism," such as was proposed by the Gracchi, and which contributed to the fall of Rome.

"By agrarian laws is understood a legislative attempt forcibly to equalize the possession of lands. No such attempt is made in this bill—none was made by the Gracchi, at whose time every Roman citizen might occupy as much land as he paid for, and three hundred and thirty-three acres beside, if he paid the small rent thereon. To this Tiberius Gracchus limited the operation of his law, and Caius Gracchus only undertook to divide the public lands among the soldiers and others who had aided to conquer them—bounty lands, sir, which the aristocrats were laying their hands on, to any amount they could purchase for their foreign slaves to cultivate. Does my honored friend think that Rome owed her decline and fall to the attempt of patriots to check the civil wars of the country, lessen the corruption of the nobles, and extend the comforts of the great mass of the people? Or was it the failure of the Gracchi to effect their remedial objects that hastened the calamities they foresaw and dreaded. Spare the Gracchi and read Niebuhr!"

Mr. Johnson summed up the arguments against his measure as (1) unconstitutionality; (2) diminution of revenue; (3) demagogism and agrarianism.

"In regard to the first he contended that it was as constitutional to appropriate land as money, in order to 'provide for the common defense and general welfare.' To Congress was given power 'to dispose of, and make all needful rules and regulations respecting the territory . . . of the United States.'

"On the second point he said the bill was a measure to increase and not diminish national revenue, since it would enable non-taxpayers to become contributors to the public treasury by buying manufactured dutiable articles, and also would enhance the value of the lands remaining for sale, by building up communities around them.

"It was not agrarianism for a man to take what was his own, much less, what was only a part of his own. If the public lands were distributed *per capita* there would be three-quarters sections for each qualified voter in the country. The bill proposed to give to applicants only one-quarter sections."J

Although the Homestead Bill was not enacted at this time, at the close of the next session of Congress (on August 4, 1854), one of the original propositions of Senator Benton's was adopted, that of fixing the price of public lands in accordance with the number of years they had been on the market, with a sliding scale down to twelve and one-half cents an acre.

Mr. Grow then became the chief advocate of the bill, introducing it at each session. It gradually assumed the aspect of a party measure, the Republicans being its advocates, and the Democrats opposing it, ostensibly on the ground that the graduating act of 1854 had settled the land question, but really because the Homestead Act would augment the preponderance of the free States over the slave States.

Andrew Johnson advanced to the Senate, introduced the bill there in 1857. It was passed by the Senate and the House, with the help of the Douglas Democrats, but was vetoed by President Buchanan upon the ground that, by oversight, persons of foreign birth might enter lands without being heads of families, though native citizens might not.

The same bill, with this defect remedied, was introduced in the first Congress of Lincoln's administration, and was passed by overwhelming majorities owing to non-representation of most of the Southern States. It was approved by the President on May 20, 1862.

The discussion of the Homestead Bill largely inspired Edwin Burgess, a retired tailor of Racine, Wis., to propound his *ad valorem* land tax.¹—M. M. M.

¹See Forerunners of Henry George.

FORERUNNERS OF HENRY GEORGE

"When you have seen a truth that those around you do not see, it is one of the deepest of pleasures to hear of others who have seen it." Thus Henry George wrote on learning that his proposal for a Single Tax had been evolved by men before his time, dead and almost forgotten.

It would be an endless task to write adequately of all the thinkers who have denounced monopoly in land, and who have devised various remedies. This paper will be confined to those philosophers who have proposed for public purposes a single source of public revenue.

There have been various kinds of Single Tax. In Villari's *Savonarola* (I: 275) we read: "The first matter demanding attention was the revision of the taxes. Savonarola continually urged this in his sermons. . . . Levy taxes on real property alone, abolish continual loans, abolish arbitrary imposts." The law of February 5, 1495, "obliged all citizens to pay ten per cent. on all income from real property." (I: 277).

In Palgrave's *Dictionary of Political Economy* (II: 372) Caletot tells of an *impot unique* proposed in 1576-77 in France, in the states-general of Blois, "assessed according to the means of the owner of each dwelling." In 1573-75 and 1592-98 the cortes of Madrid proposed a Single Tax on grist, levied when it left the mill. In 1646 Arriaga in his *Universal Plan for Suppression of Taxes* proposed a general income tax of two per cent. In 1651 Father Davila proposed a single, general progressive poll tax. (Palgrave I: 485).

Shortly before his death at Amsterdam, Benedict de Spinoza (1632-1677) composed *Tractatus Politicus*, an unfinished work. Therein he holds (Chap. VI: 12):

"The fields and the whole soil and, if it can be managed, the houses should be public property, that is, the property of him

who holds the right of the commonwealth: and let him let them at a yearly rent to the citizens, whether townsmen or countrymen, and with this exception let them all be free or exempt from every kind of taxation in time of peace."

De Lajonchere, a French engineer, in the beginning of the 18th century advocated "one sole tax, without privilege or exemption, on the general produce of the ground, mines, quarries, etc." (Palgrave I: 537) In 1734 Jacob Vanderlint, a timber merchant of London, published his *Money Answers all Things*. (Eccles. X: 19). He advocated (p. 109) a Single Tax on lands and houses. In 1739 appeared an anonymous book, *On the Causes of the Decline of the Foreign Trade*, ascribed to Matthew Decker, a wealthy director of the East India Company, sitting in Parliament for Bishop's Castle. He proposed (p. 43) "to take off our unequal taxes and oppressive excises, and to lay one tax on the consumers of luxuries. . . ." His proposed list of luxuries begins with: "Keeping 2 coaches and six, £50." Again in 1743 Decker published *Serious Considerations on the Several High Duties*, with a proposal for raising all the public supplies by one Single Tax. Probably this was the first use of the English term "Single Tax." It was used in 1806 in an English translation of Filangieri's *Science of Legislation*, (Ostell, London, II: 206), and it appears again in Gourlay's *Statistical Account of Upper Canada*, (London, 1822, Intro., p. 9).

Decker's second proposal was for a Single Tax on inhabited houses with attached estates, exempting the poorer classes (assessments governed by the rents), the quantum recorded on a plate of brass attached to each house, "and there could be no dispute."

In 1775 Thomas Spence (1750-1814) of Newcastle, England, published: "*The Rights of Man*, as exhibited in a lecture read at the Philosophical Society in Newcastle on the 8th of November, 1775, for printing of which the Society did the author the honor to expel him." Spence held that the land, with all that appertains to it, is, in every parish, the property of the Corporation, with ample power to let, repair or alter any part thereof; that it should be confiscated and re-let in small parcels from time to time.

"There are no taxes of any kind paid among them, by native or foreigner, but the aforesaid rent, which every person pays to the parish according to the quantity, quality and conveniences of the land, housing, etc., which he occupies in it...."

In 1781 the American Colonies, in rebellion against Great Britain, adopted "Articles of Confederation." These fell to pieces, Congress, unfortunately, not having been clothed with power of enforcement. Article VIII provided for federal revenue by one tax on land and improvements:

"ART. VIII.—All charges of war, and all other expenses that shall be incurred for the common defence or general welfare, and allowed by the United States in Congress assembled, shall be defrayed out of a common treasury, which shall be supplied by the several States, in proportion to the value of all land within each State, granted to, or surveyed for any person, as such land and the buildings and improvements thereon shall be estimated according to such mode as the United States in Congress assembled shall from time to time direct and appoint. The taxes for paying that proportion shall be laid and levied by the authority and direction of the several States within the time agreed upon by the United States in Congress assembled."

In 1832 James Silk Buckingham, M. P. for Sheffield, issued his *Outlines of a New Budget*. He proposed a Single Tax on rank, beginning with five grades of noblemen, taxed 30% on arbitrarily assumed incomes; followed by six grades of gentry taxed 20%, and five grades of tradesmen taxed 10%—other classes exempt.

In 1828 Thomas Rowe Edmonds (1803-1889), fellow of Trinity College, Cambridge, published his *Practical Moral and Political Economy*, (London, 1828). He held, p. 157:

"An income tax is to be regarded as the most useful of all taxes, and all national governments would do well to begin a new system of taxation by substituting an income tax, or a tax equivalent to an income tax, for all other taxes."

Edmonds comes within our definition of "Single Taxer," although for sumptuary purposes he suggests:

"They might afterwards proceed on the principle of taxing all articles of luxury, in proportion to their indirect degree of utility."

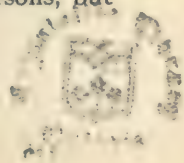
Some day the world will learn that the taxing power should be used for taxation only; not for "protective," restrictive, sumptuary or police purposes. All these are misuses. Thomas Spence proposed the right principle for his Commonwealth:

"Freedom to do anything cannot be bought; a thing is entirely prohibited, as theft or murder, or entirely free to everyone without tax or price."

According to Konrad Haebler (Palgrave, II, 372) the Roman Emperor Charles V. (1500-1558) as King of Spain proposed a single direct tax, the earliest of several proposals of that kind. The writer cannot find supporting evidence. In 1539, however, Charles proposed an indirect tax on commodities, affecting all classes alike. The nobles and clergy refused assent, whereupon Charles dismissed them as unworthy to lay taxes, being unwilling to pay them.

In the 18th century among Occidental philosophers Chinese methods of government had a high reputation, perhaps due more to maxims of ancient Chinese philosophers than to their adoption by rulers at that time. In Miles Menander Dawson's *Ethics of Confucius*, he writes of Confucius (born about 551 B. C.) that his last words were regrets that none among the rulers then living possessed the sagacity requisite to a proper appreciation of his ethical philosophy and teachings. His follower, Mencius (Mang-tsze), born 372 B. C., for many years visited ruler after ruler without success, patiently accepting his failures as the will of Heaven. Mencius' proposals concerning agricultural land were agrarian, but the following recommendations (p. 205) concerning trade contain the Single Tax idea:

"If in the market-place he levy a ground rent on the shops, but do not tax the goods, or enforce proper regulations without levying a ground rent, then all the merchants of the empire will be pleased and will wish to have their goods in his market-place. If at his frontier there be an inspection of persons, but



no import duties, all travelers throughout the empire will be pleased, and wish to make their tours on his roads." (Mencius, Book 2, pt. 1, ch. 5).

In the *Economic Principles of Confucius*, by Dr. Chen Huan-Chang, the Master is quoted (p. 633):

"Formerly the wise Kings inspected the travelers at the custom houses, but did not levy duty upon commodities. They established public warehouses in the market-places, but did not tax commodities. They taxed one-tenth of the produce of the land. They employed the labor of the people not more than three days in one year. The entering into the mountains and the meres by the people was limited to the proper times by regulations, but not by tax....."

DIO CHRYSOSTOM

We are indebted to Dr. Marion Mills Miller, editor of *The Greek and Latin Classics*, for presenting to English readers in 1909, Dio Chrysostom's story of *The Hunter of Euboea*, translated by Prof. Winans. (Vol. 7, p. 302). Dio lived about 50-117 A. D. Although a stoic and democrat, both the emperors Vespasian and Domitian sought his advice. Dio's fable concerns some castaways on the uninhabited shores of Euboea. By hard labor they had gained a modest living, when complaint was filed at Athens that they had not paid a price for the land nor a tithe of the income. Their representative at the hearing was a young hunter. A volunteer whom Dio describes as "a kind, sensible man," defended the "squatters."

"He proceeded in a quiet tone to say that men do no harm in clearing and tilling the unutilized lands; that, on the contrary, they should have commendation; that the people ought not to feel anger towards those who build houses and plant orchards on the public lands, but rather toward those who let them go to waste.... Our lands should be brought under cultivation, and our people, all who will, be freed from two of the greatest of human miseries—idleness and poverty.

"For ten years let them have their farms rent free; after that time by a definite arrangement, let them pay over a small tithe of their crops, but nothing from their cattle.

"In my judgment, . . . we should let these men stay in possession of what their own hands have created, on their undertaking to pay a small rent hereafter. . . . And, if they desire to purchase this land, I move that we sell it to them cheaper than to any other."

YANG YEN

In *The Economic Principles of Confucius*, Dr. Chen Huan-Chang writes of a progressive minister about 780 A. D., (p. 652):

"Yang Yen was a great reformer. He abolished all other direct taxes, and reduced them to the land tax only. The poll tax was included in the land tax. This was the first time that the system of 'single whip' was originated. He made no difference between the stranger and the native, nor between the young and the adult. The only basis of direct taxation was the land, not the person. It was simple and uniform. The officials could not practice corruption, nor could the people evade their dues. ."

Of the sixteenth century Dr. Chen writes (p. 656):

"In 1581 A. D. the system of 'single whip' was universally established. The total amount of land tax and poll tax of each district was fixed, and the poll tax was equally distributed to the land. . . . All the different kinds of contributions, tribute etc., were simplified into a single item, and they were supplied by the officials with the money of the land tax. Land was the only object of direct taxation, and was taxed according to acreage."

LUDOVICO GHETTI

In Cossa's *Introduction to Political Economy* (p. 156) we read of Ludovico Ghetti, probably a contemporary of Savonarola, who "had a scheme for levying one tax, and one only." Further scanty information appears in Palgrave (II: 207): he "advocated the *impot unique*, and was one of the humanist philosophers who flourished in Florence during the fifteenth century."

BOTERO

Palgrave (I: 169 and II: 463) gives equally unsatisfactory notice of Giovanni Botero, born at Bene, Piedmont, in 1540; died at Turin in 1617. He "held that land taxes should be the only source of revenue."

BANDINI

From the same source (Palgrave, I: 90 and II: 372) we learn of Bandini, eulogized by Richard Cobden. Bandini was born at Siena, Italy, in 1677. He died in 1775. He was trained as a soldier, but preferred agriculture. He took holy orders, and became Archdeacon. He was president of the Physiocratical Society, intended to promote natural sciences, rather than literature. Among the objects sought by Bandini were (1) few and simple laws (2) rapidity and facility of exchange, which, and not abundance of money, are the causes of wealth (3) a Single Tax, as easier and cheaper for all parties; it ought to be imposed on land, and farmed out.

CENTANI

We are indebted to Palgrave (II: 372), for information concerning a pamphlet by Francisco Centani.

"Centani, however, is, more than any one else, entitled to be considered as a direct ancestor of the French Physiocrats. In a memorial entitled *Tierras*, and submitted to the King of Spain (1671) Centani, taking up an opinion expressed a few years before by Juan de Castro, explicitly asserts that land is the only real wealth (*la tierra es le verdadera y fisica hacienda*) and insists on the removal of all indirect taxation in favor of a direct and territorial taxation founded on an exact and extensive Cadastral Survey. About half a century later, the minister Ensenada gave orders to proceed with this survey in Castile on a plan which had been successfully carried out in Catalonia, and in 1770 Charles III decreed the *unica contribucion*, which was, however, never actually put in force."

JOHN LOCKE

The author of *The Essay Concerning Human Understanding* was born in Wrington, Somerset, in 1632. He died in 1704, and was buried in the parish church at High Laver, Oates, Essex. Owing to limited space we shall omit biographical details concerning well known men, restricting ourselves to appropriate quotations. From *Civil Government*:

Section 1: "God hath given the world to men in common Yet every man has a property in his own person. The labor of his body and the work of his hands are properly his"

Section 32: "As much land as a man tills, plants, improves, cultivates, and can use the produce of, so much is his property . . ."

Section 35: "The measure of property Nature has well set by the extent of men's labor, and the conveniency of life."

In 1690 Locke published *Some Considerations of the Lowering of Interest*. It contains (p. 39) a proposal for a Single Tax upon land:

"If, therefore, the laying of taxes upon commodities does, as it is evident, affect the land that is out at rack rent, it is plain it does equally affect all the other land in England too, and the gentry as well, but the worst way, increase their own charges, that is, by lessening the yearly value of their estates, if they hope to ease their land by charging commodities. It is in vain in a country whose great fund is land to hope to lay the public charge of the government on anything else; there at last it will terminate. The merchant (do what you can) will not bear it, the laborer cannot, and therefore the landholder must: and whether he were best do it by laying it directly where it will at last settle, or by letting it come to him by the sinking of his rents, which when they are fallen, every one knows they are not easily raised again, let him consider."

WILLIAM PENN

The young "Quaker," William Penn, friend of Locke, projected Pennsylvania as a "holy experiment," and Philadelphia, his "city of brotherly love," as "a green country town." Alas! marvelously rich in natural resources, the State to-day is the Gibraltar of "protection," and the city is "corrupt and contented." Penn was born in London in 1644. He died in 1718, and was buried by the meeting house at Jordans, Bucks. Space will not permit of details of his useful life, but the reader who knows of Macaulay's charges is directed for refutation to Janney's *Life of Penn*.

Concerning land and taxation, we can only consider some fragments, bearing in mind that Penn was not a dictator; the colonists had a large liberty. We quote from "Certain Condi-

tions and Concessions agreed upon by William Penn and Adventurers and Purchasers," July 11, 1681:

"That every man shall be bound to plant, or man, so much of his share of land as shall be set out and surveyed, within three years after it is so set out and surveyed, or else it shall be lawful for newcomers to be settled thereupon, paying to them their survey money, and they go higher for their shares."

To "man" the land! What a fine thought! The following first tax law in Philadelphia, January 30, 1683, appears as a Single Tax on land:

"Put to the vote, as many as are of opinion that a Publick Tax upon the land ought to be Raised to defray the Publick Charge, say yea—carried in the affirmative, none dissenting."

The following from Penn's *Fruits of Solitude* (Part II: 222-year 1693) is a clear proposal for a Single Land Tax:

"If all men were so far tenants to the public that the superfluities of gain and expense were applied to the exigencies thereof, it would put an end to taxes, leave not a beggar, and make the greatest bank for national trade in Europe."

Penn's thought that men should be penalized, instead of rewarded, for neglect, was advanced, about the same time, by Archbishop Fenelon, in his famous story *Telemachus*, which excited the anger of Louis XIV. Fenelon causes Mentor to instruct a ruler, Idomeneus, in principles of government.

"He ordered, also, that trade should be perfectly open and free; and, instead of loading it with imposts, that every merchant who brought the trade of a new nation to the port of Salentum should be entitled to a reward" "But what shall I do," said Idomenedus, "if the people that I scatter over this fertile country should neglect to cultivate it?" "You must do," said Mentor, "just contrary to what is commonly done; rapacious and inconsiderate princes think only of taxing those who are most industrious to improve their land. . . . and they spare those whom idleness has made indigent. Reverse this mistaken and injurious conduct which oppresses virtue, rewards vice, and encourages supineness equally fatal to the King and

the State. Let your taxes be heavy upon those who neglect the cultivation of their lands; and add to your taxes, fines and other penalties, if it is necessary; punish the negligent and the idle, as you would the soldier who would desert his post." (*Telemachus*, Book XII).

About forty years earlier, the same thought occurred to Peter Stuyvesant, Dutch governor of New Amsterdam (New York). On Jan. 15, 1658, annoyed and indignant because of the neglectful land speculators, he caused to be issued a lengthy proclamation in which a special tax was imposed upon neglected land. The owner was required to do his own assessing, subject to the following interesting provision;

" it is left to the device of the Burgomasters, either to take the lot at the owner's price for account of the City, and sell it at this price to any one who desires to build, conformably to the ordinance, or else to leave it to the owner, until it is built upon by him or others, when this burden, for good reasons laid upon unimproved land, shall be taken off."

The world moves, although slowly; two hundred and fifty-three years after Stuyvesant's proclamation, the 1911 taxation act of the Province of British Columbia imposed upon "wild land" a tax of four per cent. upon the assessed value, while the same land, if improved to the extent of \$2.50 per acre, is assessed for Provincial purposes only one-half of one per cent. In other worlds, speculators pay eight times the figure charged to honest men who live by labor.

SIR WILLIAM WYNDHAM

An interesting chapter of England's history concerns Walpole's stormy failure to revive the salt tax (withdrawn March 2, 1732). His ultimate object was the establishment of excises, and the total abolition of the land tax, "to give ease to the landed interest" (Coxe's *Walpole*, p. 41). The debate on Walpole's proposal may be found in Cobbett's *Parliamentary History*, VIII. It is notable for Wyndham's formulation of the true principle of taxation:

"Every man ought to pay to the public charge in proportion to the benefit he receives."

That maxim should be written in letters of gold in every legislative chamber on earth.

Wyndham declared further:

"Sir, I think it is as demonstrable as any proposition in *Euclid* that if we actually paid a land-tax of ten shillings in the pound, without paying any other excise or duties, our liberties and our properties would be much more secure, and every landed gentlemen might live at least in as much plenty, and might make a better provision for his family than under our present method of taxation." (VIII, 956): "We ought," he said on another occasion, "to consider that by taking from the rich, we only diminish their luxury, but by squeezing from the poor, we increase their misery. This, Sir, must be a moving consideration to every man that has any bowels of compassion towards his fellow creatures." (VIII: 1020).

Wyndham was born at Orchard-Wyndham, Somerset, in 1687, and died at Wells in 1740. He headed the organized opposition to Walpole; "his attacks on Walpole's excise bill have been considered his finest oratorical and intellectual efforts."

CADWALLADER COLDEN

The surveyor-general of New York, in the year 1752, made a remarkable report.

Colden was born in Dunse, Scotland, in 1688. He practiced medicine at Philadelphia, whence he removed to New York. He was an able, versatile man with literary tastes, a philosopher and scientist, a friend of Franklin. In the wilderness of New York, as elsewhere, the forestaller was doing evil. We read of

"public indignation on the subject of land monopoly. People were actually being forced to send their children into other colonies because of the lack of free lands, when, at the same time, influential men were counting their acres by the hundred thousand, and scarcely cultivating a hundred. . . ." (Key's *Colden*, p. 35).

In his report Colden dismissed as impracticable the confiscation of corrupt grants, although

"indeed there seems in common justice to be room enough for it.....

"The following proposal seems to me to be more practicable, viz..... to establish quit-rents on all past grants..... The quit-rents would in this case be sufficient to support the government, and if they were applied to that purpose, I believe would give a general satisfaction; because it would be as equal a taxation as could well be contrived, and the taxes would not, as they do now, fall only upon the improvements and the industry of the people. It would likewise absolutely remove the complaints of the merchants, so that it would generally please all sorts, excepting the owners of the large tracts."

The wise surveyor-general died in 1776, and was buried at Spring Hill, Flushing, Long Island. His advice was disregarded and forgotten. Had it been followed, his monument might well have been inscribed: "The wilderness and the solitary place shall be glad for them, and the desert shall rejoice and blossom as the rose."

THE PHYSIOCRATS

The eighteenth century is notable for the rise of the French school of social reformers known as "Physiocrats" (Greek—the natural order).

It was not increase of wealth they sought but, rather, a science of government, immutable physical and moral laws, the natural order. They held that the violations of this, through "ignorance, neglect or contempt of human rights, are the sole causes of public misfortunes and corruptions of government." Unconsciously they advocated the political economy of Jesus of Nazareth. For his injunction also, was not to seek wealth, but to seek first the Kingdom of God and his right doing, "and all these things shall be added unto you."

Briefly the Physiocrats held that all wealth is derived from the land, and that primitive industries, such as agriculture, mining, quarrying and fishing, are the only "productive" ones; that manufactures and commerce, while useful in modifying and

transporting, are "sterile" as regards the State, non-productive of that fund which the State may justly tax—the *produit net* (defined as "the surplus of the raw produce of the earth left after defraying the cost of its production"). Unquestionably this was error, but, as Henry George says, "not a vital one." For they were on the "narrow way which leads to life." The *produit net*, although limited, was "rent;" they held that it alone should furnish the needs of the State through the *impôt unique* (the Single Tax). They advocated complete freedom of trade, holding that the business of government was only the protection of life and property, and the administration of justice. It was not allowable for government to interfere with freedom of thought, person, production or exchange.

Physiocracy appears to have been only an approach to the Single Tax of Henry George. For George proposed to appropriate the entire ground rent by taxation. He intended that the public should take the kernel, leaving the shell to the landlords. On the other hand, the proposal of the Physiocrats was Single Tax limited—very much so. It was about six-twentieths of the surplus derived from primitive occupations. Du Pont said that the forerunner of the Physiocrats was the Duke of Sully (1560-1641), reforming minister to Henry IV, of France. Sully declared that "tillage and pasturage were the breasts of France."

Nevertheless, the philosophers themselves were great souled men, too little valued, too little known, even in our day. The founder of the school was Francois Quesnay, physician to the King. Quesnay was called the "European Confucius." With his philosopher friends, gathered in the upper rooms at Versailles, he planned for the safety of the State, while court profligates below them were devising new luxuries. Room may be found here for but two of many noble characters among the Physiocrats.

ANNE ROBERT JACQUES TURGOT

The most prominent of the Physiocrats was Turgot, sometimes called "the Godlike!" Born in Paris in 1727, he was,

during his childhood, afflicted with a painful timidity which never altogether left him. Educated for the church, with a prospect of high place, he abandoned it, saying that he could not wear a mask all his life. Early he was moved by philosophy. Having a passion for the public good, or, as a friend said, "a rage for it," he sought the public service. He liked scientific pursuits, but politics, the science of government, was with him an absorbing passion. To him it was the "science of public happiness."

For thirteen years, from the age of thirty-four, he served as Administrator of Limoges, perhaps the most hopeless district in hopeless France, drifting towards revolution. He did not spare himself. When urged to moderate his labors, he replied: "The needs of the people are enormous, and in our family we die of gout at fifty." Despite illness, he "toiled terribly," reforming, improving wherever and whenever he could, willing and thankful to be able to progress slowly, step by step, when it was not possible to be speedy. With the peasants he patiently explained and instructed, always with guiding principles in view. He considered no case too small for the application of its governing principle. He was a theorist to the limit.

With but limited powers, he yet served Limoges so well that when appointed Controller-General in 1774, masses were said in his honor, and the peasants wept at his departure. In his larger sphere he faced a difficult task, but he was brave and masterly. Supported for a time by the young King, Louis XVI, Turgot declared his programme: "no bankruptcy, no increase of taxes, no loans." In due time Turgot issued edicts in the name of the King, abolishing forced labor on the roads, establishing free trade, abolishing trade privileges etc. His edicts were preceded by explanations of the economic principles on which they were based. But, after a service of only twenty months, the weak King was compelled by pressure of the privileged classes to dismiss Turgot. The disgraced minister retired to a studious private life. He had bravely warned the amiable but weak King that weakness had brought the head of Charles I to the block. Thirteen years later Louis XVI faced the guillotine.

Carlyle said that Turgot had a whole, peaceful French Revolution in his head. Happily he did not live to view the catastrophe. He died in 1781, aged fifty-four. He rests in the Church of the Incurables, now the Laennec Hospital, Paris.

PIERRE SAMUEL DU PONT

It is praise enough for any man to be known as "the right arm of Turgot." Du Pont was born in Paris in 1739, Turgot's junior by twelve years. At the early age of twenty-four he attracted the attention of Quesnay, and soon became Turgot's most intimate friend. It is said he had a rare capacity for work, being a "willing literary hack," and that he had done more than any one else to give currency to Physiocratic teachings. A condensed account of his useful, busy life may be found in the *Cyclopedia of American Biography* (6: 450). He was twice President of the Constituent Assembly, and author of its fiscal reforms. Being a Girondist, he was compelled to hide from the Jacobins, occupying his enforced leisure by writing *The Philosophy of the Universe*. Finally arrested and imprisoned, he escaped the guillotine only through the death of Robespierre.

In 1799 he emigrated to the United States. He was honored with the affectionate esteem of Franklin, Jefferson and Madison. At Jefferson's request he drew a plan for national education in the United States, an account of which may be found in *Jefferson and the Atheism of Virginia* (p. 49). The headquarters of this project, "the university of North America" was to be at Washington. Characteristically, Du Pont planned as one of the four departments a school of social science and legislation. He received Jefferson's thanks for assistance in promoting the cession to the United States of the immense territory then known as Louisiana.

By all accounts he was an admirable character. It is to be hoped that we may some day be favored with his biography in English. Schelle, a French biographer, says of him: "There have been profounder thinkers and more able writers than Du Pont, but none have surpassed him in love of truth for truth's sake, and in disinterested and continuous efforts to promote the wel-

fare of his fellow men." He died in 1817, and is buried in the family's burial ground near Wilmington, Delaware. He was one of those named by Henry George in a dedication "to the memory of those illustrious Frenchmen of a century ago who in the night of despotism foresaw the glories of the coming day." It seems appropriate that the visitor to his grave is directed to "take the car to Rising Sun!"

BENJAMIN FRANKLIN

In Christ Churchyard, Philadelphia, lies Du Pont's friend, Benjamin Franklin, "the many-sided," born in Boston in 1706, dying in Philadelphia in 1790. His memory is especially venerated in Pennsylvania, its thoughtless citizens not knowing that Franklin despised their beloved policy of "protection," and that he was an enthusiastic Physiocratic Single Taxer. His maxims of personal economy are household words, but his writings on political economy are neglected, forgotten.

The following letter was written by Franklin to DuPont:

London, July 28, 1768.

"I received your obliging letter of the 10th May with the most acceptable present of your *Physiocratie*, which I have read with great pleasure, and received from it a great deal of instruction. There is such a freedom from local and national prejudices and partialities, so much benevolence to mankind in general, so much goodness mixed with the wisdom in the principles of your new philosophy that I am perfectly charmed with it, and wish I could have stayed in France for some time to have studied in your school, that I might, by conversing with its founders, have made myself quite a master of that philosophy. I had, before I went into your country, seen some letters of yours to Dr. Templeman that gave me a high opinion of the doctrines you are engaged in cultivating, and of your personal talents and abilities, which made me greatly desirous of seeing you. Since I had not that good fortune, the next best thing is the advantage you are so good to offer me of your correspondence, which I shall ever highly value and endeavor to cultivate with all the diligence I am capable of.

"I am sorry to find that that wisdom which sees the welfare of the parts in the prosperity of the whole seems yet not to be known in this country; we are so far from conceiving that what

is best for mankind, or even for Europe in general, may be best for us, that we are even studying to establish and extend a separate interest of Britain to the prejudice of even Ireland and our colonies. It is from your philosophy only that the maxims of a contrary and more happy conduct are to be drawn, which I therefore sincerely wish may grow and increase till it becomes the governing philosophy of the human species, as it must be of superior beings in better worlds." (Bigelow's *Franklin*, IV: 195).

Later letters on this subject may be seen in Spark's *Franklin* (X: 300 and 345); and Bigelow's *Franklin* (IX: 414).

In the first of these letters, he agrees with his French correspondent, Abbe Morellet, that "liberty of trade, cultivating, manufacturing etc." is preferable even to civil liberty. The last letter (to Alexander Small, 1787) confirms his early confession of faith:

"I have not lost any of the principles of political economy you once knew me possessed of, but to get the bad customs of the country changed, and new ones, though better, introduced, it is necessary first to remove the prejudices of the people, enlighten their ignorance, and convince them their interests will be promoted by the proposed change; and this is not the work of a day. Our legislators are all landholders; and they are not yet persuaded that all taxes are finally paid by the land. . . . therefore we have been forced into the mode of indirect taxes, *i. e.*, duties on importation of goods."

WILLIAM OGILVIE

In 1899 Morrison Davidson dedicated to the "disinherited landless" his *Precursors of Henry George* (London: F. R. Henderson, 2s.) The writer is pleased to refer the reader to the excellent little book for better accounts than are here possible of Ogilvie, Spence, Paine and Dove. Mr. Davidson rightly speaks of his book as a "small but precious compendium." Tolstoy commended it as "an admirable work."

William Ogilvie, born in 1736, near Elgin, Scotland, was a patrician. At nineteen he was graduated from King's College, Aberdeen. At twenty-five he was appointed in that college, "Professor of Humanity (Latin Language and Literature) and

Lecturer on Political and Natural History, Antiquities, Criticism and Rhetoric." Davidson remarks: "a large enough order, even for the most accomplished scholar of his age." In 1782 he published anonymously his *Essay on Property in Land*. Davidson writes that, at that time

"Scotland was groaning under a despotism of the most crushing and flagitious order, and, except by insinuation or suggestion, there was no hope whatever of redress. . . . Landlordism ruled in Church and State with a rod of iron."

The condition of society may be judged from the fact that the State Church (1799) issued a pastoral admonition against Sunday-schools and against the teachers as "notoriously disaffected to the civil constitution of the country." Thomas Muir, an eminent advocate of Edinburgh, was banished for fourteen years, his principal crime being that he possessed a copy of Paine's *Rights of Man*. Robert Burns hid his copy with the blacksmith of Dumfries. Davidson says that Ogilvie's work would have been considered more criminal than these, for he dared to deny the divine origin of rents and tithes, defined them as the improvident regulations of human law, and cited Moses against them. He sent copies of his book to potent and divers men of affairs, Washington in America, Cornwallis in India, Frederick the Great of Prussia, among whose effects was found a copy "with the author's compliments." A copy with that inscription is in the Philadelphia Library, founded by Franklin. In 1793 the honorary degree S.T.D. was conferred upon Ogilvie by Columbia College, New York.

He died in 1819, and was buried in St. Machar's Cathedral, Old Aberdeen.

Although Davidson assumes that the book was suppressed, the facts are not known; a writer in the *Dictionary of National Biography* states that the authorship was well known. Ogilvie is characterized by Davidson as "the Euclid of land-law reform," a Single Taxer of most uncompromising character. Two quotations from the *Essay* are appended:

"The landholder must be allowed to have a full and absolute right to the original, the improved, and the contingent value of

such portion of his estate as would fall to his share on an equal partition of the territory of the state among the citizens. Over the surplus extent of his estate he has a full right to the accessory value. But to the original and contingent value of this surplus extent he has no full right. That must reside in the community at large, and, though seemingly neglected or relinquished, may be claimed at pleasure by the Legislature, or by the magistrate who is the public trustee.

The original value of the soil is treated as a fund belonging to the public, and merely deposited in the hands of great proprietors, to be, by the imposition of land taxes, gradually applied to the public use, until the whole be exhausted."

"Equity, however, requires that from such land taxes those small tenements which do not exceed the proprietor's natural share of the soil should be exempted. To separate the contingent value from the other two is less difficult and of more importance; for the detriment which the public suffers by neglecting this separation, and permitting an exclusive right of improving the soil to accumulate in the hands of a small part of the community, is far greater in respect both of the progress of agriculture and the comfortable independence of the lower ranks."

ALEXANDER SMALL

From letters to Franklin preserved at the American Philosophical Society, Philadelphia, we learn that Dr. Small, besides being a British army surgeon, was interested in agriculture, horticulture, apiculture, ventilation, pickling of sturgeon, new ways of uprooting trees, poor rates and politics. Like Franklin, he was many-sided. Franklin was eighty-one when Dr. Small wrote to him from London, July 3, 1787:

"Should auld acquaintance be forgot. We are ourselves growing old, and have therefore little time to lose.

"I was in hopes that when you returned to your country, I might have observed by the laws you would have established, that you had retained some of Mirabeau's Patriotic Principles, which are more extended in the *Tableau Economique*. Nations do not sufficiently advert to that Truth that all taxes are finally paid by the Land. Merchants and Manufacturers pay double the tax they are charged with on the Several Articles taxed. The Consumer therefore pays so much more than the real value of the article. Establish therefore all your taxes on the land.

Laying taxes on imports is in fact taxing yourselves. Render Philadelphia a free Port, and it will soon become the center of the American Trade. You will by this means be ever free of those Locusts, the Officers of the Revenue. Why banish the Loyalists when the country was settled in peace? I see nothing of the liberal disposition of Dr. Franklin. I shall ever retain a most agreeable remembrance of the many happy hours enjoyed in Your Company."

GAETANO FILANGIERI

One of earth's noblest, Gaetano Filangieri, son of the Prince of Arinelli, was born at Naples in 1752. Bred as a lawyer, he practiced at Naples, but a rich commandery bestowed on him by his uncle gave him leisure for literary pursuits. He was, also, gentleman of the chamber to his Sicilian Majesty, Ferdinand, son of Charles III of Spain, to be noted hereafter.

At the age of thirty Filangieri published the first two of eight volumes of his *Science of Legislation*. Book II was concerned with economics. His biographer in an English translation (Thomas Ostello, London, 1806) says that seven editions of the first two volumes were soon published at Naples, Florence, Catania and Milan, and that a burst of admiration and applause followed. Filangieri was appointed counselor of finance. An English friend of the young statesman draws an attractive picture of him:

"In the society of his intimates he was the man of the world, always sprightly and active, with the warmest attachments to their interests. In the closet where he was employed on his celebrated work, he was the sage, occupied in laying the foundations of the future happiness of his country. . . . surrounded with seductions the most dangerous to the heart and character of a young man whose birth, talents and exterior advantages gave him a right to every pretension—in the midst of a voluptuous court. . . . the favorite of a monarch whose education he had shared—Filangieri was still himself, always equally great and noble, and worthy of esteem and admiration. Notwithstanding the King's attachment to him, he quitted the court, and devoted four years to work on his book. Recalled to become royal counselor of finance, his incessant labors caused illness and death."

Another eulogist, Tommasi, said of him what in different language had been said of Turgot:

"Unshaken resolution, incorruptible integrity, formed the basis of his public conduct. Of every branch of the administration he was completely master, and he saw with an intuitive glance into every amelioration of which it might be rendered capable. . . . In defiance of personal obloquy and personal danger, he had entered on the correction of a multitude of secret abuses in the general administration of the kingdom, and of the government of Naples in particular. . . ."

Chapter 30 of *The Science of Legislation* begins:

"A direct tax is no other than a tax on land, which is the true and lasting source of public riches, and should bear the whole burthen of public contributions. . . . On the first appearance the landowner might be supposed to pay the whole, but every class of the community would in reality bear a part of it, in proportion to its fortune and abilities. . . ."

He appears to have stumbled in holding that the tax should be permanent and fixed (202), yet in the same paragraph he says: "Every landholder would be taxed in proportion to his rents. . . ." This chapter is devoted to the advantages of the "unico dazio" and the objections thereto. The English translator (year 1806) uses the term "the Single Tax," (p. 206). In Chapter 31, the young statesman proposes to introduce the reform

"gradually and with the greatest care. A tax particularly burdensome should be first taken off, its net amount accurately calculated, and an equivalent laid upon the land. When this step is once taken, a similar one should follow, and others gradually He proposed that the law should be a sacred obligation which every succeeding prince should acknowledge the very moment that he seated himself, for the first time, on the throne of his ancestors."

In a modest letter to Benjamin Franklin, accompanying an early volume, Filangieri expressed the hope that he might merit Dr. Franklin's esteem. Franklin appreciated his worth, ordering eight copies of each of the succeeding volumes. Before

final delivery, the young statesman died, aged thirty six. A pathetic letter from his widow to Franklin announces the death of "my husband and my friend;" therein is told, also, an oft-told tale of those greatly concerned for the public good, viz., "he left no patrimony beyond the memory of his virtues."

It is pleasant to know that the King provided for the little family, though the young widow did not long survive her husband. He rests at Cava, eight leagues below Naples.

CHARLES III

The proposal for a Single Tax made in Spain in 1671 by Centani was addressed to Charles II, "the idiot king." Charles III (reign 1759-1788) was a different character. For an interesting account of his times the reader is referred to Buckle's *History of Civilization* (Book II, ch. I). Buckle characterizes Charles III as "the ablest monarch who has sat on the throne since the death of Philip II." Unlike Philip, he had a passion for the public good. Buckle speaks of

"improvement upon improvement, reform after reform"
"these and other works which he not only planned but executed were not paid for, as is too often the case, by taxes which oppressed the people, and trammelled their industry" "In the reign of Charles III the face of Spain underwent greater changes than it had done during the hundred and fifty years which had elapsed since the final expulsion of the Mohammedans."

There is room for a few suggestive quotations. Of Charles' adviser, Count Campomanes, sometimes called "the Turgot of Spain," Palgrave says (I: 208):

"Eminently upright and disinterested, he was one of the foremost benefactors of his country."

From Hume's *Spain*:

"The sloth of centuries was at last broken through."
"Financial and administrative reform also progressed apace; the collection of the public revenue was now economical and regular . . . , the great plan for the substitution of one single

impost for all taxes was still the favorite project of each successive minister." (p. 402). . . .

"Minister Florida-Blanca's reforms directed to the relief of industry and the workers at the expense of the landowners, the nobles and the church. Intense opposition caused his resignation, to the grief of the King. (p. 409). . . . The great project of the Single Tax was abandoned. . . ." (p. 409).

Charles died in 1788, aged 73. Hume's tribute was:

"The only good, great and patriotic King that Providence had vouchsafed to Spain in modern times. . . ."

JOSEPH II

When the democratic son of Maria Theresa, and brother of Marie Antoinette, visited his frivolous sister at Versailles, he declined to lodge at the palace, despising the "rascals" who surrounded royalty. Vainly he cautioned her not to interfere with Turgot, not to meddle with things she did not understand. Both Joseph II and his brother Leopold, Duke of Tuscany, greatly admired the Physiocrats. Joseph succeeded to the Austrian throne in 1780. He was known as "the reforming emperor;" his zeal outran discretion.

Although he was in practice afflicted with the disease of protectionism, in theory he was physiocratic, as will be seen from the following (from *Oestrichische Geschichte fur das Volk*, Vol. XIV):

"Land, which Nature has destined to man's sustenance, is the only source from which everything comes, and to which everything flows back, and the existence of which constantly remains in spite of all changes. From this unmistakable truth it results that land alone can furnish the wants of the state, and that in natural fairness no distinctions can be made in this."

Joseph was a hard worker. A biographer writes of his "fiery enthusiasm." He, himself, acknowledged "fanatical zeal." But he was too far advanced for his people, and was broken-hearted by failure. In January 1790 he withdrew all his edicts, dying three weeks later, aged forty-nine. He was entombed

at the Capuchin Church in Vienna. Joseph's character has been highly praised, severely criticised. A fair judgment would be, perhaps, his own: "Here rests a prince whose intentions were pure, but who was so unfortunate as to see all his projects miscarry." This epitaph he requested for his tomb, but that poor satisfaction was denied him.

THOMAS PAINE

"I could never reconcile it to my principles to make any money by my politics or my religion. . . . In a great affair, where the happiness of man is at stake, I love to work for nothing." This from the maligned Paine, born at Thetford, England, in 1737. His services to mankind will not be sketched here; the reader is referred to Conway's *Paine*. But, in the interest of fair play, consider briefly Paine's religion. Few men have been so unjustly, persistently libeled as was, "Tom Paine, atheist!" In daily expectation of death in a French prison during the Revolution, he had written a book, of which he afterward said (Conway's *Paine*, IV: 202):

"The people of France were running headlong into atheism, and I had the work translated and published in their own language to stop them in that career, and fix them to the first article (as I have before said) of every man's creed who has any creed at all, I believe in God. . . ." In the same letter he says he endangered his life a second time by opposing Atheism. His religion he declared to be "to renovate the age by inculcating in the minds of youth the fear and love of the Deity and universal philanthropy."

Paine, poor and neglected, died in 1809, and was buried on his farm at New Rochelle, New York. His monument bears his motto: "The world is my country: to do good is my religion."

The following quotation illustrates Paine's Physiocratic ideas regarding land:

"Man did not make the earth, and, though he had a natural right to occupy it, he had no right to locate as his property in perpetuity any part of it; neither did the Creator of the earth open a land office, from whence title deeds should issue. . . . it is the

value of the improvement only, and not the earth itself that is individual property. Every proprietor, therefore, of cultivated land owes to the community a ground rent, for I know no better term to express the idea by, for the land which he holds; and it is from this ground rent that the fund proposed in this plan is to issue."—*Agrarian Justice*.

Agrarian Justice was written in 1795, but the following quotation from *The Financier and Finances of the American Revolution* (I: 134) shows that he had a right sense of the source of war revenue long before:

"When it was feared that the English would invade New Jersey, or even attack Philadelphia, during the siege of Yorktown (1781) Thomas Paine proposed to Morris to levy a tax of $\frac{1}{4}$ or $\frac{1}{8}$ of the rental of Philadelphia as an emergency tax. At a guess he estimated the rental of the city at £300,000."

GUISEPPE SARCHIANA

From Palgrave's *Dictionary of Political Economy* (3: 352) we get information of Guiseppe Sarchiana, (1746-1835) born at San Cassiano, in Tuscany:

"With the view to convince the public of the usefulness of freedom in trade, in labor, for the abolition of corporations—(abolished in Tuscany in 1770) Sarchiana translated a pamphlet by Abbe Coyer, showing the absurdity of corporate regulation. His work on public taxation contains a clear and detailed explanation of the doctrine of the Physiocrats. With them he advocates a Single Tax on land, advising gradual reform. . . . as desired by the Physiocrats."

This author was in a sympathetic environment. He co-operated in the extensive and liberal economic reforms made by Leopold, Grand Duke of Tuscany.

THE FOREIGN INFLUENCE OF THE PHYSIOCRATS

The impression that the Physiocrats made upon monarchs and rulers outside of France is astonishing. We have noted the impression made upon Joseph II, of Austria. His brother and successor, Leopold, then Grand Duke of Tuscany, was their en-

thusiastic admirer, as we learn from Campan's *Marie Antoinette*, wherein they were known as the "innovators." Passing from the noble Charles III, of Spain, to his son, the King of Naples and Sicily, friend of Filangieri, we note that Catherine II, of Russia, impressed by them, sought to increase and re-vivify trade by giving it freedom. (Palgrave, 3: 337). From Lalor's *Encyclopaedia* (3: 197) we learn of their influence on Gustavus III, King of Sweden, Stanislaus Augustus, King of Poland, the dauphin son of Louis XVI, and the Margrave of Baden; the latter attempted to institute their reforms in three villages of Baden, but without success. The age appears to have been one of enlightened monarchs, benighted peoples. The Physiocrats thought it a short cut to convert monarchs. It is said (without proof) that even Turgot exclaimed: "Give me five years of despotism, and France shall be free!" Joseph II, of Austria, had this spirit of benevolent despotism. Bright, in his *Joseph II*, says, (p. 135):

"The attitude assumed by the Emperor may be seen in a declaration which he sent to the Bohemian Estates in 1784. He told them that he was introducing a new system of taxation, and that 'it was not their business to discuss whether the measure was desirable or not, but only to consider the best means for carrying it out.'"

There is a lesson here for reformers who think to establish a reform by "passing a law." However desirable the change may be, it must be desired by the people; else the reform will not be permanent. In his *History of Civilization in England* (Book II, ch. 1) Buckle writes wisely:

"To seek to change opinions by laws is worse than futile. It not only fails, but it causes a reaction which leaves the opinion stronger than ever. First alter the opinion, and then you may alter the law. As soon as you have convinced men that superstition is mischievous, you may with advantage take active steps against those classes who promote superstition and live by it. But, however pernicious any interest or any great body may be, beware of using force against it, unless the progress of knowledge has previously sapped it at its base, and loosened its hold over

the national mind. This has always been the error of the most ardent reformers, who, in their eagerness to effect their purpose, let the political movement outstrip the intellectual one, and, thus inverting the natural order, secure misery either to themselves or to their descendants. They touch the altar, and fire springs forth to consume them."

The practical influence of the Physiocrats upon the Americans, Franklin and Paine, has been noticed. It is not improbable that Article VIII, of the "Articles of Confederation," already quoted, was due to Physiocratic influence. While Thomas Jefferson was not a convert, it is interesting to note a letter written in 1797 to Fitzhugh (*Works*, Ford's edition, 7: 136) in which he suggests that the quotas due from the several States to the federal government, be provided by a land tax, levied by the federal government, giving the individual States, however, liberty to provide their dues in any other ways more pleasing to themselves. Here is an early suggestion of "home rule," to which our civilization has not yet advanced. This was a theory which Physiocrats urged. Turgot, in his "Essay on Municipalities," advocated home rule minutely, beginning with village communities which should rule in strictly village matters, sending delegates to county assemblies, ruling county affairs; they, in turn, sending delegates to provincial assemblies; these last sending delegates to a national assembly. Turgot desired to educate the people in the practical management of public affairs. (White, *Seven Great Statesmen*, p. 223). We find as minute a subdivision suggested by Jefferson, probably learned from Du Pont (*Works*, Ford's edition, 1: 113).

A thought dear to the heart of Turgot was that children should be instructed in their obligations to society, the duties which they have in fulfilling these obligations, and the interest they have in fulfilling these duties for the public good and their own. (Say's *Turgot*, chap. V). How benighted we are, compared with the Physiocrats, may be realized from the fact that as long ago as 1750 Mirabeau pleaded for decentralization—home rule (Higgs' *Physiocrats*, p. 20), and that in 1768 he wrote an essay on the economic education of girls, insisting on the necessity of instructing them in the science of the natural order. (Palgrave, 1: 744).

ROBERT FLEMING GOURLAY

The forgotten subject of this inadequate sketch was one of Scotland's greathearts. Born in Fifeshire in 1778, descended from father and grandfather who had served the public good, Gourlay showed deep, practical sympathy with the cause of the poor. He was personally acquainted with Arthur Young and Malthus. Young said that Gourlay "knew more of the poor of England than any man in it."

A partial story of Gourlay's strenuous, unselfish life to the age of forty-four is told in his *Introduction to a Statistical Account of Upper Canada*. (London, 1822). His enthusiastic nature led him, a young man, commanding time and money, to travel extensively in England, with a view to devising remedies for "the greatest evil which overshadows the fate of England—the system of the poor laws." He said:

" I determined to follow out a study of such infinite importance; and I actually resolved to shape the course of my life to this end."

For a time he worked as a practical farmer in Scotland, and then removed (for the purpose of study) to Wiltshire (pp. 129, 138). He was a diligent pamphleteer, writer to newspapers, a poster of handbills. His sympathetic nature is revealed in an address in 1815, "to my poor neighbors of Wily Parish" (p. 123) in which he writes: "my heart has often bled for the wretchedness of your situation: but, alas! what can a single individual do to alleviate general calamity?"

Gourlay made little progress in England; in 1817 he sailed for Upper Canada, (Ontario), hoping to provide for "a grand system of emigration." While he collected much interesting, valuable information, he was hounded and harassed by the monopolists who controlled the politics of the province.

"The professional and military classes formed, as it were, an offensive and defensive alliance against the incursions of democracy. Governor after governor, coming out to the province with an open mind, fell under the sway of the "Family Compact,"

and public lands were freely bestowed upon the members." (Griffith, *The Dominion of Canada*," p. 33).

First noting that conditions in Canada afterward, in 1837, led to armed rebellion, we quote from Gourlay's *Introduction*; (364):

"Being in Upper Canada in 1818, I found that country, by nature the finest in America, completely ruined, in my opinion, by mal-administration, and advised the people to send home a commission to entreat the government to correct existing evils. This proposal brought upon me the wrath of men in power, and on false allegations they had me arrested in two different districts. I was twice tried, twice pleaded for myself, and twice honourably acquitted. . . . I was again arrested, under colour of a statute, applicable only to aliens. . . . I was ordered to leave the province. In my right as a British subject, I refused to obey, and was then committed to jail, where I remained without benefit of bail, for nearly eight months. During the last six weeks of this period, being closely shut up in a cell, while the weather was intolerably hot, cut off from all communication with the press, and for some time denied free conversation with law counsel, and even magistrates of my acquaintance, my health declined, and my mental energies became altogether weak. At the assizes I was brought up for trial, but the fresh air proved too much for me. I forgot that I had a protest in my pocket against trial under the alien law, consented to trial in a state approaching delirium, and was banished, not for any crime, but merely because of my refusal to leave the province."

The first two trials were held at Kingston and Brockville. From the jail at Niagara, Gourlay emerged suffering from a nervous malady which, however, failed to quench his passion for the public good. On his return to England he was afflicted with a fear of sinking into imbecility. On June 11, 1824, in order to call attention to his proposed reforms, he committed a mild assault on Henry Brougham in the lobby of the Commons, and was sent to Coldbathfields workhouse. Joseph Hume testified for him that he was an excellent man, that his work in Canada was creditable, but that his mind had been affected by his sufferings. (*Times*, June 26, 1824.) In 1836 the Canadian Parliament annulled the sentence, offering Gourlay a pension, which he refused, claiming compensation. After his death the arrears

of pension were paid to his family. Of his activities (if any) in the matter of land reform after 1836 the writer is not informed. He died in 1863, and was buried at Wariston Cemetery, Edinburgh.

He was an earnest advocate of free trade (461), deriding customs officers as "prevention men" (178). He regarded misapplication of taxation as the sole cause of the national distress (178). His practical proposal follows:

"My proposal then is to have but one tax for the collection of revenue in this province—a general land tax, making no distinction whatever between wild and cultivated lands, public or private property, that of residents or absentees; the rule of estimating value to be governed by one consideration, the rate of population of the township in which the land is situated, taken in conjunction with that of the neighborhood (381).... Lastly, and here I shall have opposition from every bench of worshipful magistrates, there should not even be a tax upon taverns. All—all should be free of taxation but land.... Off—off, with all taxes but one on land; and then, the heavier that is made by large and judicious expenditure on public works, so much the better; then, indeed, Canada shall flourish."

In passing it is interesting to note that Gourlay used the term Single Tax (XI). Concerning his proposal to value land by the number of inhabitants, we find that Pelatiah Webster in his *Political Union of the United States* (1783) wrote: "....when the inhabitants of Russia, Poland, etc. sell real estates, they do not value them as we do, by the number of acres, but by the number of people who live on them...." James Madison (*Madison Papers*, 1: 300) made a similar proposal.

There is reason to believe that a realization of a relation between the value of land and the number of people on it led to the former provision in the United States Constitution that "No capitation or other direct tax shall be laid, unless in proportion to the census or enumeration." The suggestion is crude, but it holds a grain of truth.

THOMAS CHALMERS

This eminent Scotch clergyman was born at Anstruther, Fife, in 1780, and died in 1847, "his funeral attended by half the people

of Edinburgh." He was a voluminous author. In 1832 he published his *Political Economy*, from which we quote (p. 296).

"Every commutation of a tax from commodities in general use to the rent of land lets forth the agriculture, instead of contracting it. The people are translated into better circumstances; and they may be taught, in the season of intermediate abundance, to have a permanently higher demand for the enjoyments of life than before. They may be raised to a higher status, and of that status they may be enabled to keep the permanent occupation in virtue of their higher standard of enjoyment. Were the economic only followed by the moral enlargement, then, instead of a brief evanescent holiday for the people of our land, the whole platform of humble life may be elevated, and made to sustain an erect and independent and prosperous commonalty to the most distant ages."

JOSEPH RODES BUCHANAN

The *Arena* magazine of March and April, 1891 reprinted from the *Herald of Truth*, Cincinnati, Ohio, with portrait of the author, an essay, dated 1847, proposing a gradual establishment of the Single Tax. The author, Joseph Rodes Buchanan, was born in Frankfort, Kentucky, in 1814. *The National Cyclopaedia of American Biography* (X, 277) gives a more adequate account of the activities of a busy life than is possible here. He is described as printer, educator, author, physician. What is more important is that he was a "statesman" in the best sense, pointing out the way of safety long years before evil was apparent to the multitude. In 1842 he established in Cincinnati a medical institute devoted to independent thought. At the time his essay was published, America was still young, business was prosperous, the great West was inviting settlers to land that could be bought for a song, or had for nothing. The essay was twenty-four years in advance of Henry George's first pamphlet, thirty-two years before *Progress and Poverty*. Passing over various professional activities, we find Dr. Buchanan maintaining a college of therapeutics in Boston from 1883 to 1892. He died in San Jose, California, in 1899. His ashes were interred in the Cave Hill Cemetery, Louisville, Kentucky.

At the early age of thirteen he had read an article in Poulson's Philadelphia *Daily Advertiser*, justifying the English system of tithes. It made a deep impression on the boy. The essay in the *Herald of Truth* was published when he was thirty-three. Of the re-organization of society he says:

"There are immense interests involved in things which are not the product of human labor. The air, the sunshine, the water and the earth which man receives direct from God, and which are not the products of his own exertions, must be considered in any scheme of society; for they are the first necessities of life, and their distribution is one of the most important measures. . . . The nation should deliberate earnestly and long upon the question to ascertain what justice demands, and how the universal prosperity may best be promoted in the distribution of its land. . . . The earth is an original gift of God to man, and, as such, belongs of right to the human race in general, and not to the individuals of the race, separately."

His practical plan is thus proposed:

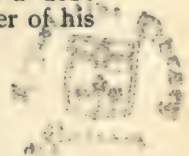
"To produce the least possible disturbance in the existing arrangement of business, the Commonwealth shall in no wise meddle with the details of agriculture, renting and leasing of estates, determining possession etc., but shall leave property in the hands of its owners, precisely as before, except that it shall levy an *ad valorem* rent of the most moderate and reasonable character upon the soil alone, claiming no interest in the buildings and other productions of manual industry.

The rent shall be a uniform percentage upon the market value of the land in every part of the country, but varying progressively during the first sixty years of its establishment. . . . The land rent shall be so graduated to allow the lapse of at least two generations before the usufruct of the soil shall pass entirely into the possession of the people."

PATRICK EDWARD DOVE

The Theory of Human Progression, by Partick Edward Dove, was published in 1850. It excited the enthusiastic admiration of Senator Charles Sumner of Massachusetts, who wrote:

"To the author of this important work we confess a debt of gratitude. We do not believe that any Christian lover of his



race can read the volume without feeling the delight which springs from the confirmed assurance that the 'good time coming' is not merely a fancy of the poet, but the promise of religion and philosophy. Nowhere else has this subject been treated with equal care and fulness. Such a work is at once an important contribution to the science of theology and the science of politics. No clergyman can fail to be instructed and elevated by it; no politician can fail to find new light in it for his steps. As we perused it, we were forced to the conclusion that no philosophical production of our day surpasses it in interest or importance."

Nevertheless, the book met an undeserved fate; it was quickly forgotten; its admirable author with it.

Dove was born in 1815 at Lasswade, near Edinburgh. He was instructed in scientific farming, acquiring in 1841 a farm near Ballantrae, Ayrshire. He was an all-round expert, a popular landlord and advisor-general to farmers of the neighborhood. In the year 1848 a bad speculation swept away most of his fortune, but not his courage. He spent some time at Darmstadt in the study of German philosophy, and, in 1850, issued his book. We learn of his lecturing on "Heroes of the Commonwealth," "Wild Sports of Scotland," "The Crusades," and of his editing *The Witness* newspaper during the illness of his friend, Hugh Miller, the geologist. We learn of a treatise on the revolver, of the invention of a rifled cannon, of the contribution of the article *Government* to the *Britannica*. "In his case," says Davidson, (*Four Precursors of Henry George*), "the adage, 'jack of all trades and master of none,' was strikingly falsified." He was master of all.

In 1860 he suffered a stroke of paralysis. He visited Natal in search of health, but died of softening of the brain in 1873. He was buried at the Grange Cemetery, Edinburgh.

Characteristic quotations follow:

"To whom, then, ought the rents of the soil to be equitably allocated?"

"I do not hesitate to say to the Nation. For the service of the nation, taxes must be derived from some quarter or other; and if the taxes had always been derived from the rents of the soil, there never would have been any tax on industry, any Custom House, any Excise or any of those restrictive measures that repress industry, while they eminently contribute to separate

nation from nation, and to prevent the commercial intercourse that ultimately would have abolished war. National property there must be somewhere, and, assuredly, it is more just to take that property from the natural value of the soil than from the individual fruits of labor. From one or other it is and must be taken, and if there would be injustice in taking it from the impersonal rent of the soil, there is certainly more injustice in taking it from the profits of individual exertion."

"This is the true. . . , and the only true, theory of a Nation—that the soil belongs to it in perpetuity, and never can be alienated from it; and that he who will give the greatest rent for the soil becomes its cultivator, and pays the rent to the nation for the benefit of the whole community. Then, but not till then, will labor reap its natural reward—the reward appointed by Providence in the divine constitution of the terrestrial economy. Then will the welfare of one be the welfare of all; then will men be banded together by a true citizenship; and then will the first great step be taken towards that mighty Brotherhood which springs from our common parentage, and which is at once the promise and the prophecy of the Christian faith—

"And man to man the world over
Shall brothers be and a' that."

HERBERT SPENCER

This eminent philosopher, whom his friends loved to call "the master," was born at Derby, England, in 1820. In his young manhood he became a civil engineer, but left this work for a more attractive subject, politics, the science of government. This is social engineering, the noblest study to which man can address himself. At the early age of twenty-two he wrote for the *Nonconformist* a series of letters on *The Proper Sphere of Government*. At thirty he published *Social Statics, or the Conditions Essential to Human Happiness*. The original edition of this book (1850) is a well of inspiration. His test for government, as for the individual man, is "conformity to the Divine will." *Social Statics* is saturated with the idea of unquestioning obedience to what God has ordained for society. "Then must all things prosper." Spencer's Law of Equal Freedom is a valuable contribution to social science: "Every man has freedom to do all that he wills, provided he infringes not the equal

freedom of any other man." From this law Spencer derived and asserted right after right; the rights of private property in things and ideas, the rights of women and children, the rights of free speech, free trade, the right to the use of the earth, even the right to ignore the State!

The ninth chapter of the 1850 edition of *Social Statics* is a challenge to monopoly; it asserts "equal rights to the use of this world." Land reformers have scattered millions of copies of this chapter, as they might scatter leaves from the tree of life for the healing of the nations.

Spencer was counted on by social reformers as a tower of strength; alas! he fell away, withdrawing the book from circulation; but the inexorable logic of the ninth chapter remains, unanswerable. The story of his defection is told in Henry George's *Perplexed Philosopher*.

Spencer died in 1903, and is buried in Highgate Cemetery, London. The following extracts are from the ninth chapter of the original edition of *Social Statics*:

"It can never be pretended that the existing titles to such property are legitimate. Should any one think so, let him look in the chronicles. Violence, fraud, the prerogative of force, the claims of superior cunning—these are the sources to which these titles may be traced."

"Equity does not permit property in land."

"..... The change required would be simply a change of landlords. Separate ownership would merge into the joint stock ownership of the public. Instead of being in the possession of individuals, the country would be held by the great corporate body—Society. Instead of leasing his acres from an isolated proprietor, the farmer would lease them from the nation. Instead of paying his rent to the agent of Sir John or his Grace, he would pay it to an agent or deputy-agent of the community. Stewards would be public officials, instead of private ones; and tenancy the only land tenure."

Toward the close of the chapter the philosopher becomes stern and harsh.

"Our civilization is only partial. It may by-and-by be perceived that Equity utters dictates to which we have not yet

listened; and men may then learn that to deprive others of their rights to the use of the earth is to commit a crime inferior only in wickedness to the crime of taking away their lives or personal liberties. . . . We find, lastly, that the theory of the co-heirship of all men to the soil is consistent with the highest civilization; and that, however difficult it may be to embody that theory in fact, Equity sternly commands it to be done."

EDWIN BURGESS

In the city of Racine, Wisconsin, U. S. A., at various times in the years 1859-1860, there appeared in the *Racine Advocate* letters and poems signed by Edwin Burgess. These writings have been collected by two friends, to whom "it seemed unfair that the work and memory of such a man should be allowed to perish in the place of its birth." (*The Edwin Burgess Letters on Taxation*)—Wm. S. Buffham, Racine, Wisconsin.)

Edwin Burgess was born in London, in 1807. In the forties he settled in Wisconsin, engaging in business as a tailor. At the outbreak of the American Civil War he retired from business with a modest competence, being in impaired health. He appeared to have been one of those men of whom George speaks, "who in narrow circles live radiant lives." He did what he could where he was placed; no man can do more. But the Civil War was impending; the letters excited little note or comment.

In the year 1864 he visited England, taking with him an edition of the letters, distributing several hundred on Broadway, New York City, and the balance in the streets of London. After his death his wife returned to England. In accordance with his wish she had an edition printed for free distribution; one of these is now in the British Museum. The following extracts from Letter IX illustrate the style of his letters, written "as a working man, speaking to working men."

"Land is frequently advertised for sale in England, 'land tax and tithe redeemed,' for these tithes are commuted for in the same manner, and there God is still professedly worshipped by priests sustained by public plunder; there the protection demanded is more against cheap food than cheap manufactures. What

an idea, protection against cheap food, against the fertility of the earth, and the freedom to eat of it! But what is the remedy? I say put all the taxes on the land, and repeal your stamp duties, your duties on imports, your inquisitorial excise laws, your robbing legacy duties, which tax nothing for the inheritance of land, because the land monopolists made the laws. Put all the taxes on the land, and then the landlord's rent will pay the cost of government, and keep the land at the lowest price forever; then cultivation, production and plenty will prevail, and much of the manufactures which you are now exporting will be needed at home; your home market will be vastly increased, you will be prosperous and permanent customers to each other, your poor laws will be diminished, your credit will not be needed; then poverty, beggary, and a landrobbing aristocracy and a tithe-eating Church and State priesthood will soon be among the things that were."

"Then free trade, by removing the necessity for standing armies and navies, would open the reign of peace on earth and good will to all mankind; then arts, industry, commerce and morals would progress with accelerated force; our whole attention and energies would be devoted to the promotion of human good, the supplying permanently and bountifully our wants, and elevating our conditions physically, mentally, morally and socially; all nations would become as one family, in which a wrong done to one would be resented by all. The universal brotherhood of man would be realized, and the earth in its fruitfulness, bloom and beauty would become the Eden home of the free, the noble and the good."

Edwin Burgess died in 1869, and is buried in the Mound Cemetery at Racine. Time has obliterated part of the inscription on the headstone, but the Recording Angel has his record in the Book of Life.

This paper has not been written for entertainment of readers, but, rather, in the hope that some may be moved worthily to honor dead and gone and sometimes forgotten saints by more active work in that world-wide field wherein the laborers are few. The eleventh chapter of Paul's Epistle to the Hebrews is a brief recital of forerunners of whom the world was not worthy, who plainly declared that they desired a better country. Paul closed his inspiring account with an appeal as appropriate here:

"Wherefore, seeing we also are compassed about with so great a cloud of witnesses, let us lay aside every weight and the sin which doth so easily beset us, and let us run with patience the race that is set before us!"—S. M.

THE FOUNDATIONS OF SOCIAL ECONOMY

A LAND POLICY

The war has brought home to us the importance of developing the natural resources of our own country. At present we labor under many disadvantages. There is no effective recognition of the rights of the people to the land, and our system of taxation facilitates the withholding of land from use and penalizes improvements. The great majority of those who cultivate the land have no secure and continuing interest in it. Titles to land are complicated and sometimes uncertain, the expense of ascertaining them is considerable, and the cost of transferring land is excessive.¹ These conditions check production at its source and are too bad for tinkering. We need a policy of systematic reform.

PRINCIPLES OF ACTION

At the outset, there must be a clear assertion of the right of public property in the natural elements and the right of private property in the results of private effort. Those who hold the natural elements—which may conveniently be referred to as the land—ought to be taxed according to the value of the land that they hold, whether they use it or not; the continuous payment of this tax, which should be regarded as a State rent-charge, ought to be a condition of their continued possession of the land; and all improvements ought to be tax-free.

ECONOMIC EFFECTS

This remodelling of land taxation would have important economic effects.

¹These observations refer to the United Kingdom and those about title and transfer relate particularly to England.

(1) The taxation of landed property on a true basis would secure to the people the value that attaches to the land owing to their presence and competitive demand.

(2) The pressure of having to pay the tax whether the land were used or not would induce those who are holding land without using it either to use it themselves or to let other people use it.

(3) The untaxing of improvements would give free course to building in all its branches, and to the making of many other improvements that are checked by the present system.

(4) The continuing liability to the tax would incline landlords to let the land on continuous tenancies, which might be made more easy by providing for the revision of rents from time to time.

LAND, LABOR AND CAPITAL

The case for taxing land-values and untaxing improvements becomes stronger when we consider the fundamental relations between land, labor and capital. These expressions and certain others are used here in the following way:

Land includes all the natural elements that exist independently of labor, and Rent means payment for the use of land;

Labor includes all human activities, and Wages means payment for the use of labor;

Wealth includes all the products that labor obtains from the land, both in their natural conditions and as subsequently developed;

Capital means wealth considered as an agent for the production of more wealth, and Interest means payment for the use of capital.

In actual practice Land, Labor and Capital are often combined, and the joint yield is partly rent, partly wages and partly interest, as the case may be. The yield of land and buildings, for instance, is partly rent and partly interest; the hire of a driver and vehicle is partly wages and partly interest; and the return from land,

labor and capital together is partly rent, partly wages and partly interest.

LAND AND RENT

At the root of economics is the land question, and at the root of the land question is the law of rent.

Different portions of land have different productive capacities: to the same amount of cultivation, for instance, different acres will yield different returns, some yielding much, some little and some less. In the use of land for the satisfaction of their needs, people naturally prefer those portions that will yield the largest return to a given effort, and, as occasion arises, they gradually extend their operations to those portions from which the returns are smaller, to those from which the returns are smaller still, and so on. At any given time the least-productive land that offers a sufficient return to attract agricultural effort is the lower limit of agriculture and the datum-line of agricultural rent, from which owing to competitive demand, the rents of the more productive lands are graded upwards in proportion to their extra capacities. The payment of these higher rents tends to reduce the net rate of return obtainable from the more-productive lands to that obtainable from the least-productive land in use, and the extra capacities of these more-productive lands are absorbed by the extra rents that they command.

The law of rent, thus stated in relation to agricultural lands, applies to other lands also. As we approach centers of population, we find that lands yield a better return to building than to agriculture, that what may be called super-agricultural rents increase with the increase of the demand for sites, and that in the heart of a great city even a small portion of bare land may be worth a fortune. Moving in the other direction, we find that lands which are too barren or too remote for agriculture may yet be desired for grazing or for sporting purposes, or even for the pleasure of possession, and that they command what may be called sub-agricultural rents, decreasing with the decrease of the demand. This classification is of course only illustrative. There are no boundary lines. Cultivation is carried on within urban

limits, houses are built in country districts, and agriculture is interwoven with grazing. The differences between the various lands are differences of degree, and through all the gradations it will be found that the rents of the various lands are roughly proportional to the returns that they yield to similar efforts, as compared with the return of the least-productive land in use.

The operation of the law of rent is qualified by many circumstances. The yields of different lands cannot be estimated exactly, the actual rent may vary with the other conditions of the tenancy, leases generally include improvements as well as land, and allowance must be made for the effects of custom, local opinion, personal relations and many other factors. But the law of rent is fundamental. It is the key to the position. It was first stated by Dr. James Anderson—a practical agriculturist—in a pamphlet entitled "An Inquiry into the Nature of the Corn Laws, with a view to the Corn Bill proposed for Scotland," published in Edinburgh in 1777, the year after the appearance of Adam Smith's *Wealth of Nations*. Neglected at the time, the law of rent—in the words of John Stuart Mill—"was almost simultaneously rediscovered . . . by Sir Edward West, Mr. Malthus and Mr. Ricardo," about forty years later. Mill, who did much to make it clear, called it "one of the cardinal doctrines of political economy," and said that until it was understood no consistent explanation could be given of many of the more complicated industrial phenomena.¹

Rent is thus the natural and inevitable outcome of the competitive demand for lands that return different yields to similar applications of labor and capital. It represents the surplus-value of the more-productive lands as compared with the least-productive land in use. There can be no question of abolishing it, nor would its abolition reduce the price of the products, because the prices of similar products are the same whether they are produced on land that produces much or on land that produces little, and the cost of production which regulates the

¹*Principles of Political Economy*, 2, XVI, 3. J. R. McCulloch makes similar observations about it in his annotated (1854) edition of the *Wealth of Nations*, p. 452.

price of the product is the cost of producing it on the least-productive land on which it is commercially produced.¹ But it is important that this surplus value of land should be treated as public revenue, and that those who hold land should be taxed on the basis of its true value, whether they use it or not.

The effects of such a tax will be seen more clearly when it is borne in mind that the lower-limit of agriculture is not fixed but moveable, varying with the ratio between the supply of productive land and the demand for it. An increase in the demand or a decrease in the available supply tends to force agriculture down to land that yields a smaller return, to lower the datum-line of rent, to increase the rents of the more-productive lands which are graded from that, and to leave less of the produce to the producers—while a decrease in the demand or an increase in the available supply operates in the contrary direction. The demand for land is roughly proportional to the population; the natural supply of it is practically a fixed quantity; but the withholding of the land from use and the checking of improvements have the effect of reducing the available supply and hindering production. In order to secure the rights of the people to the land, to increase the available supply of it and promote production, to raise the datum-line of rent, to reduce rents generally, and to leave more of the produce to the producers, we need a land policy of the character already indicated.

LABOR AND WAGES

The law of rent leads to the law of wages, because the natural wage of labor is the amount that the laborer can obtain by working for himself on such land as he can get for nothing, or on any more-productive land subject to the payment of its rent. As he need never work for an employer for less than that amount, that amount fixes the minimum rate of wages for the time being, from which the rates in various occupations are graded upwards,

¹Thus, as Dr. James Anderson showed in 1777, it is not prices that are regulated by rents, but rents that are regulated by prices, which in their turn are regulated by the cost of production as above stated.

in rough proportion to the strength, skill, training or other qualifications required. Thus also, to repeat and extend what has already been said, it will be seen that an increase in the demand for, or a decrease in the available supply of productive land tends to lower the lower-limit of agriculture which is the datum-line of rent, to increase the rents of the more-productive lands which are graded from that, to leave less of the produce to the producers, and to reduce wages—while a decrease in the demand or an increase in the available supply operates in the contrary direction. Thus the first steps towards improving the condition of labor are to increase the available supply of more-productive land and to remove the hindrances that check production.

Many examples might be given to show how this relation between land and wages has been recognized in practice. The West India Royal Commission¹ found that the owners of sugar estates did not regard with favor the proposed opening of the Crown lands to the people, because "what suited them best was a large supply of laborers, entirely dependent on being able to find work on the estates, and, consequently, subject to their control and willing to work at low rates of wages," and they realized that it would become practically impossible for them to obtain laborers "at the prices which they were prepared, or could perhaps afford to pay," if the people had easy access to the Crown lands. The South African Native Affairs Commission² recognized that what made it difficult for the mine owners to obtain native labor for the mines was that the natives "had access to the land on terms which have enabled them to regard work for wages as a mere supplement to their means," and the Minority recommended "to do away with free land to the natives" as the economic strategy for compelling the natives to work in the mines on the mine owner's terms. The natives were saved from that fate by the maintenance of their rights to the land, and these rights are of the first importance to labor everywhere and always.

Adam Smith observed that one of the chief "causes of prosperity in new colonies" was the "plenty and cheapness of land,"

¹Report, *Blue Book C.* 8658 (1897), paras. 116, 288.

²Report, *Blue Book Cd.* 2399 (1905) paras. 392, 413.



which led to the colonists giving "most liberal wages" to attract laborers, and led also to these laborers setting up for themselves and, in their turn, offering liberal wages to others.¹ Patrick Edward Dove showed that far the most important matter that affects the value of labor is the distribution of the land, that "wherever there is free soil, labor maintains its value," and that where laborers "cannot get the land to labor on, they are starved into working for a bare subsistence."² But it was left to Henry George, and it was one of his great achievements, to analyze the the relation between land and wages and to correlate the law of wages with the law of rent.³

CAPITAL AND INTEREST

Unlike Land and Labor, Capital is not a primary factor in production. It comes into being when the wealth that labor has obtained from the land is used to produce more wealth—when roots and grain that have been collected are used for planting and sowing, when animals that have been captured are used for breeding and milking, and when natural objects are made into weapons and implements.⁴ These processes, and many others that are kindred to them, have developed with increasing rapidity, assisted by the discovery of the metals, the progress of invention, and the utilization of water-power, wind-power, and the power latent in wood, coal and other fuels. All wealth that can be used as capital, including mechanical energy, is obtained ultimately from the land. The land is the storehouse of capital, and the consideration of capital ought to

¹*Wealth of Nations* (1776) IV. 7. II.

²*Theory of Human Progression* (1850) p. 406.

³*Progress and Poverty* (1880) Bk. III. ch. 6, 7.

⁴The first two of these processes appear to have been suggested by the germination and sprouting of roots and grain that had been stored, and by the breeding and multiplication of animals that had been captured, particularly those that had been captured young; see, for instance, *A History of Politics*, (1900), by Edward Jenks, p. 22, 43. The third appears to have developed from the primitive use of sticks and stones, those of the more convenient forms being gradually preferred, and becoming types to which others were afterwards shaped.

include not only the amount of capital that has already been obtained from it, but also the ever-increasing amount that will be obtained in the future.

Capital is wealth considered as an agent for the production of more wealth, and the minimum rate of interest for the time being is determined by the amount of the additional increase, over and above the replacement of the capital, that can be obtained by applying the capital to assist production on the least productive land in use, or on more-productive land, subject to the payment of its rent. Thus the datum-line of rent determines the datum-line of interest, from which the higher rates are graded in proportion to the higher risks and other considerations. Thus also the interest on capital, which has been called "stored-up labor," fluctuates in the same direction as wages, rising as the lower-limit of agriculture is raised to lands which are more-productive, and falling as that lower-limit is lowered to lands which are less-productive. Thus also, to repeat and extend further what has already been said, it will be seen that an increase in the demand for, or a decrease in the supply of productive land tends to lower the lower-limit of agriculture which is the datum-line of rent, to increase the rents of the more-productive lands which are graded from that, to leave less of the produce to the producers, to reduce wages and to reduce the rate of interest—while a decrease in the demand or an increase in the available supply operates in the contrary direction.

The earlier writers on interest devoted much more attention to discussing whether interest was morally justifiable than to ascertaining its cause and investigating its character. Some of them recognized in a general way that the reason why capital could command more than would just suffice to replace it, was that land could be made to yield more than a bare subsistence to the laborer, but accurate analysis was not possible until the rediscovery of the law of rent by Ricardo provided the clue that has subsequently been followed. In the article on "Interest and Usury" in the *Dictionary of Political Economy*,¹ for instance,

¹W. H. Inglis Palgrave (1896) vol. II, p. 435.

it is said that the rate of interest on capital "is determined, on the analogy of Ricardo's theory of rent, by the competition of borrowers and its least productive employment. Hence, as a community increases in civilization, and capital has to be employed on less fertile lands and less productive investments, the return of capital tends to decline; in other words, interest falls." While recognizing this relation between rent and interest, we ought not readily to assume that progress in civilization necessarily forces industry to less-productive lands, or that the effects of an increasing population cannot be counterbalanced by an increasing efficiency in production, particularly if the general conditions are improved.

Interest, like wages and rent, is a natural and inevitable outcome of the fundamental conditions of life. There can be no question of abolishing it; it is bound to persist in some form or other so long as capital can be used to increase production by more than the amount required to replace it. The weak point in the present system is not that interest attaches to capital, but that capital is distributed inequitably owing to the inequitable distribution of the land from which it is obtained. The treatment of land as private property has led to the treatment of rent as private property, and to the further result that, when the wealth received as rent is used as capital, the interest on it goes to private individuals instead of to the people as a whole. There is also the aggravation that, owing to causes already mentioned, rent absorbs too large a proportion of the products of the land, and leaves too little for the producers, thus depriving the producers of a share that would otherwise belong to them and which they might use as capital, the interest on it being theirs also.

GENERAL CONSIDERATIONS

The present economic difficulties are largely due to the penalties on production, the withholding of land from use, and the treatment of the rent of the natural elements as private income instead of as public revenue. There must be a reversal of these conditions. Rent should be treated as public revenue by taxing

those who hold the land according to the value of the land they hold, the withholding of land from use should be stopped by taxing them on this basis whether they use the land or not, and the penalties on production should be abolished by making improvements tax-free. These are the fundamental reforms, and they will prepare the way for improving the conditions of tenure, for simplifying title and for cheapening transfer. Nor must we limit our view to land reform at home. With a bad land system and an increasing population, the conditions of life in these islands would have become unendurable if we had not been able to exchange our manufactured goods for the produce of other lands, and it is vital that this indirect use of other lands should be continued and extended by letting trade have free course. The policy is a world-policy. In all countries the re-modelling of the land-system on these general lines would increase production, and the treatment of rent as public revenue would prepare the way for the abolition of taxes on trade and for giving free play to the processes that bind together individuals and nations.

THE ENCOURAGEMENT OF PRODUCTION

The extent to which production will be developed is governed by the demand for the products and the increase of return that can be obtained by increasing the expenditure of labor and capital on the land—a consideration that brings us to what is known as the law of diminishing return. The operation of this law, as Henry George has shown in his chapter on “The Relation of Space in Production,”¹ is by no means limited to agriculture.

Even if abundance of suitable land could be obtained freely, the most convenient area for a particular piece of work would be that which was neither too contracted on the one hand nor too extensive on the other. In stacking a certain quantity of bricks or other materials, undue extension of area would increase the distances they had to be carried and expose too much of their surface, while undue contraction of it would entail excessive lifting of them and lessen the stability of the pile. In providing

¹*The Science of Political Economy*, Bk. III, ch. 7.

a certain amount of house accomodation, undue contraction of area would necessitate building to an inconvenient height, while undue extension of it would have other disadvantages. In agricultural work, like growing a certain quantity of potatoes, undue extension of area would involve unnecessary labor in planting, hoeing and digging, while undue contraction of it would cause the plants to interfere with one another's growth. The fact that land has to be paid for and the undesirability of burdening an industry with too much rent are additional reasons against extending the area unduly.

When more labor and capital are expended on production, there is therefore a tendency to continue applying the further expenditure to the same land, so long as the increase of the expenditure can be made to increase the return in the same proportion as before. But, however wisely applied, there will sooner or later be a point beyond which any further expenditure on the same land will not increase the return in the same proportion. At about this point, known as the point of diminishing return, any further expenditure on production will be applied not to the same but to some other land which, in the ordinary course and for reasons already stated, will be land of lower productive capacity.

The taxation of improvements, by absorbing part of the additional return that would otherwise be the reward of the additional expenditure to which it is due, decreases the net return for that expenditure, brings the point of diminishing return nearer, checks the further development of that land,¹ reduces its yield, and has the same general results as a decrease in the available supply of it. Conversely, the untaxing of improvements, by letting the whole of the additional return be the reward for the additional

¹The taxation of houses, for instance, checks building, the taxation of glass-houses checks intensive cultivation, and the taxation of farm-buildings checks ordinary agriculture. All such taxation is wrong and mischievous. There should be no restrictions on the development of land, beyond what are required for general convenience or public health or to prevent one portion of land being so used as to interfere unduly with the use of another, like regulations designed to prevent nuisances, to control offensive trades, to secure sufficient width for streets, and to limit the height of buildings.

expenditure to which it is due, would increase the return for that expenditure, would move the point of diminishing return further away, would promote the further development of the land, would increase its yield, and would have the same general effects as an increase in the available supply of it.

There is no need to discuss whether the taxation of land-values, by increasing the available supply of productive land, or the un-taxing of improvements, by increasing production, would be the more important. The two are bound up together, they both operate in the same direction, and both of them are necessary to improve the conditions of life.—J. D. W.

QUESTIONS AND ANSWERS

Can a tax on land values be shifted on to the shoulders of industry?

This can be best answered by asking upon whose shoulders the tax burden is to be shifted in the case of unused or untenanted land. In such a case the owner must pay the tax, and as it will certainly be a burden he will at once turn round and look for a tenant, only to find himself in competition with other owners in a like predicament. This competition for tenants will inevitably lower the price of land just as competition for customers lowers the price of commodities. The owners of land already in use will find values of their land rigidly determined for them by the new supply of hitherto vacant land that has been brought into the market, and so the shifting of the burden will become impossible.

Is there sufficient land value in every taxable area to meet all the burdens that naturally fall upon that area, local, state, and federal?

Yes, because the real land value of any district is the total price which we are willing to pay for the privilege of living in that district rather than in the wilds of Northern Canada. That total price includes the rent paid on account of advantageous geographical situation; and also the price paid for the privilege of police protection, upkeep of roads, etc. To find the real land value therefore of any district it is necessary to add together all that at present goes into the pockets of rent receivers to the amounts taken by public tax gatherers. One has only to imagine a wealthy visitor from a neighboring planet offering to defray all the expenses of the State of New York, to see clearly that in such a case the land-value of each location would rise by the capitalized amount of the cancelled taxes.

Will the man who has put his savings into the purchase of a piece of land be disadvantaged as compared with the man who has invested in railway stock or mining shares?

If both have been *bona fide* investors for use and not for speculation, then the buyer of land will be no worse off than the purchaser of railway stock. When a man buys land for the purpose of using it by building a house or factory, he does so in full view of the fact that he is to be penalized by taxation on his house or improvements when they are made, and that fact being known to the seller as well as the purchaser, has certainly been discounted in the price he has paid. In other words, he has bought the land free of burdens, seeing he has acquired it for so much less than he would have had to pay had the seller undertaken to pay the public burdens. When, therefore, we tell him that the taxes he had undertaken to pay and on account of which he bought the land so much cheaper, are to be cancelled, and in lieu thereof a tax is to be imposed on the bare unimproved land value, he will be forced to admit he has nothing to complain of. It need hardly be said however, that if the purchase of land was made for the purpose of holding idle against a future rise, then the whole object of the reform is to make such anti-social action unprofitable.

When we have assured the bona fide buyer of land for use that his tax bill will be no higher and probably lower under the new standard of taxation, have we told the whole story?

No. It remains to be admitted that in proportion as the burden of taxation is settled on the publicly created value of land, the selling price of land will gradually disappear. Land will be as profitable for use as before and probably more so, but its value as a salable asset will have diminished by the capitalized amount of the tax. There will, it should at once be admitted, have been an apparent destruction of a fictitious "capital" or something that wrongly passed by that name. The destruction will of course be only "apparent," because the value of land for use will be as great or greater than before, and it must be noted that if the holder of land cannot then sell his land for the same

price as before, he will be able to buy other land at the same reduced price as he was able to command for what he has parted with.

Will the concentration of taxation on unimproved land values tend toward close and high building and the covering of open spaces and garden plots?

The reply is that it will facilitate the doing of whatever society finds by experience to be the wisest thing to do, whether that be close building or the provision of ample garden plots, instead of facilitating as our present system undoubtedly does, the anti-social actions of hold-ups and speculators. Under conditions of freedom, society might find it exceedingly advantageous to have its entire business quarters concentrated within a small area of a quarter of a mile square, closely built with twenty-storey sky scrapers; so that each professional man or merchant might find a thousand possible clients or customers under the same roof with himself or within five minutes walk. This would mean that the residential area would begin sooner as one walked outwards from the center of a city, and there the natural desire for garden plots and open spaces would satisfy itself more easily than now, owing to the inevitable cheapening of sites by the bringing into use of hitherto unused land through taxing at its full selling value. Moreover, this important consideration must be carefully noted, that when the public authority did decide that an open square in a city was necessary for the public health, this public need could be satisfied easily, and without loss. Under present conditions to buy up a block in the middle of a city and make a garden square, would be so enormously costly as to make it impossible, for the increased site-values accruing to those buildings that would look into the open space would all go into private pockets. Where all land-value was recognized as belonging to the community, of whose presence and activity it is but the reflection, the cost of a block of buildings would, after its removal, reappear in the increased site-values of those properties which enjoyed the amenity of the improved outlook. By this means the public authority would recover its outlay in the

purchase and demolition of buildings, and so public improvements would become possible that are now never conceived of on account of the cost.

Is it just that a poor man occupying a cottage with quarter of an acre of land on the road-side should (on the basis of land value) make the same contribution to the public funds as a rich man occupying a mansion on two acres of less valuable land away from the main thoroughfare, and to which he drives in his automobile?

The reply is in the affirmative, but the justice of it cannot be seen so long as the judgment is obsessed by the ancient superstition that a man ought to contribute to the public expense according to his ability to pay. That theory has no principle behind it other than the principle of the highway robber who way-lays the rich man and considerately allows the poor man to go unmolested. However rich a man may be, a government should surely find some other reason for despoiling him of any portion of his wealth, than the obvious one that he has got it to take. Before therefore seeking for a just standard of taxation it is absolutely necessary to get rid of the pernicious theory which has held men's minds for so long, that "ability to pay" can be accepted as a principle of equity. The only standard by which to measure each citizen's contribution to the cost of government, that can be said to have a principle of equity behind it, is that one which enquires how much benefit each has reaped through the spending of tax-raised money, and that enquiry is answered automatically and accurately by finding the selling value of the land which he occupies or monopolizes to the exclusion of the rest of the community. The benefits of government, federal, state, or municipal, reflect themselves in the land values within the governed areas, being greater in the most conveniently situated positions, and less in the positions of lesser convenience; and by taxing according to land value we should be adopting the common sense principle according to which electric current is paid for, or on which store-keepers charge for their services, "according to benefit received," or to the amount of the commodity consumed. But it is the greatest of mistakes to imagine that

the rich man would escape making contribution in proportion to his wealth, even though the government have no right to take the fact of his wealth as a reason for despoiling him of it. All wealth comes from industries that have their basis in land, in farms, in copper mines, iron ore deposits, oil wells, railway franchises; and under the principle of land value taxation these would be taxed at their source, for mineral wealth is land-value just as truly as is the value of building sites in New York. Moreover, the wealthy manufacturer who makes large profits and occupies in doing so land of little value, would under the redistribution of economic forces that would follow upon the liberation of labor, find that the natural price of human services had risen, while the natural price of commodities had fallen owing to the opening up of opportunities and the increased facilities for production. Swollen fortunes would thus find themselves "taxed" in the right way, if the word "taxed" can properly be applied to a readjustment of human relationships which would merely undo the system which discriminates against labor and in favor of privilege.

Does the Single Tax discriminate between earned and unearned income?

It is the scientific way of doing what we have been feebly attempting to do in an unscientific way, that is, to distinguish between what Dr. Scott Nearing called "property income" and "service income," or between that form of wealth which is the result of individual effort in production and that which is purely the result of the collective effort of society; or between the two forms of wealth which Dr. Ellwood, of the University of Missouri, in a seemingly unwilling recognition of an unwelcome truth, calls "earnings" and "findings."

In the case of the great majority of us (whether as individuals or as partners in corporations) our incomes are so inextricably compounded of earnings and findings, of privilege income and service income, that it is hard for some of us to know whether we belong to the privileged or unprivileged classes, to the slave owners or the slaves, to the confiscators or the victims; and perhaps only

those absolutely propertyless men at the bottom of the social scale can be said to have no share in the "findings" that spring from privilege. On the other hand it is equally true that all industry up to its highest strata, has to pay toll to privilege and provide those "findings" which distribute themselves with more or less inequality over almost the whole of society. How to distinguish between and separate these entirely different kinds of wealth is what all sincere sociologists and honest taxation commissioners have wanted to do and have hitherto failed in the doing.

If we take a handful of sand and a handful of iron filings and mix them thoroughly, and then set a man with the sharpest eyesight and the nimblest fingers to separate the particles, it will take him long to accomplish his task and he will never do it with more than an approximation to completeness. But apply a strong magnet to the mixture and the separation will be accomplished in ten minutes. Then see how the analogy applies to the economic problem in society. Let us imagine the return that should naturally flow to land in the form of rent to take the shape of blue coins made of steel. Let us fancy that the natural reward that goes to capital as interest takes the form of red coins made of wood. Finally let us figure the natural return to human service of all grades as being represented by white coins also made of wood. On examination it will be discovered that in the case of almost every member of society above the rank of the day laborer, his income is tri-colored—or composed of all three coins. There are countless "captains of industry" among us who complacently assume their large incomes to be the rewards freely given by a free world in return for their invaluable services, who will be surprised to find how large a proportion of blue their income coins contain. There are multitudes of livers upon what they have called "interest" who will expect to find their coins red, who will be equally surprised to discover that they are almost entirely blue. To complete the parable, the taxation of land values will be like the application of the magnet which will draw away the blue steel coins in whatever stratum of society they may be found, and lay them aside for social purposes, being

socially created wealth; leaving the red and white coins to be competed for in a world of free opportunity, without deduction or diminution by taxation or in any other way.

How can we explain the transient nature of the benefit from the adoption of Single Tax in Vancouver,¹ and the reaction of depression?

It must be remembered that all remedies for long standing wrongs must be applied carefully. The untaxing of houses and improvements sets in operation a movement towards greater prosperity and this tends to raise land-value. The taxing of land values exclusively on the other hand tends to lower the selling value of land or to extinguish it altogether. Everything depends upon which of these two currents of economic tendency is the stronger and which gets the first hold. If the tax on land values amounts to less than the normal annual increase in land-value due to increasing population, then speculation for a rise will continue as before. If the normal demand for land is stimulated by the increased prosperity caused by exemption of improvements from taxation, and the tax on land-value is still small, then the speculation instead of being killed is stimulated still further. When moreover, the changed standard of taxation is operating only within the area of a municipality, and is not spread over a province or a State, the belt of speculatively-held land that surrounds the municipality tends to re-act upon the increased prosperity within the city's boundaries, by still further raising its land values; and so still further promoting speculation, which is inevitably followed by a depression. All these conditions were present in the case of Vancouver, and the lesson to be drawn from it is (1) that the land-value tax must be greater than the annual increase in value if speculation is to be stopped, and (2) that the Single Tax will be beneficial in proportion as it operates over a large area, and will have a tendency to fail of its object in proportion as the area of its operation is small. Where these conditions are not observed, the removal of economic restrictions upon building will certainly have the effect of promoting a rapid

¹See page 92 ante; see also Appendix for Vancouver.

and unhealthy intense prosperity, accompanied by speculation and followed by the inevitable collapse.

Should the community in laying claim to "increment of value produced by the presence of the people," admit its liability to compensate for "decrement," when this has occurred through no fault of the owner of the land, but through movements of population?

This question is frequently asked, but it is quite irrelevant to the position on which the Single Taxer stands. Under a Single Tax system of taxation, the community will lay all its public burdens on the selling value of the land as it may happen to be at any moment, quite irrespective of whether it may have recently risen or fallen. All the value there is above the level of zero, has been brought into existence by the community, and there can be no decrement below that level; therefore there will be no compensation except in the sense that when land falls in in value taxation will fall proportionately.—A. M.

Are there not some taxes that should be retained for other purposes than revenue—as, for example, the tax on alcoholic and malt liquors, the consumption of which it may be desirable to discourage?

John Bright said, "You will never succeed in getting rid of drunkenness or any other vice simply by rendering its indulgence dear." Adam Smith, nearly three generations before, arrived at the conclusion that cheap drink is not a cause of drunkenness, nor dear drink a cause of sobriety. He says:

"Though in every country there are many people who spend upon such liquors more than they can afford, there are always many more who spend less. It deserves to be remarked, too, that if we consult experience, the cheapness of wine seems to be a cause not of drunkenness, but of sobriety. The inhabitants of the wine countries are in general the soberest people of Europe; witness the Spaniards, the Italians, and the inhabitants of the southern provinces of France. People are seldom guilty of excess in what is their daily fare. Nobody affects the character of liberality and good fellowship by being profuse of a liquor which is as cheap as small beer. On the contrary, in the countries which, either from excessive heat or cold, produce no grapes, and where wine consequently is dear and a rarity, drunkenness is a

common vice, as among the northern nations, and all those who live between the Tropics, the negroes for example, on the coast of Guinea. When a French regiment comes from some of the northern provinces of France, where wine is somewhat dear, to be quartered in the southern, where it is very cheap, the soldiers, I have frequently heard it observed, are at first debauched by the cheapness and novelty of good wine; but after a few months' residence the greater part of them become as sober as the rest of the inhabitants. Were the duties upon foreign wines, and the excises upon malt, beer, and ale to be taken away all at once, it might, in the same manner, occasion in Great Britain a pretty general and temporary drunkenness among the middling and inferior ranks of people, which would probably be soon followed by a permanent and almost universal sobriety."

DEFINITIONS¹

LAND. The material universe outside man himself. It is the storehouse of nature from which man draws all his supplies, and the one foundation upon which he rests all his structures. Not only the soil, the water, the atmosphere, the sunlight, building sites, railroad sites, mineral deposits, forests and even the birds of the air, the fishes of the sea and the wild animals that roam the earth are included in this economic category.

RENT. What land is worth for use. The rent of any piece is the excess of value that can be produced upon it over what can be produced upon the poorest land in use with the same exertion (or, as we say, with the same expenditure of labor and capital). It is an annual value of location. The selling value of land, on the average is this yearly value capitalized at twenty years purchase, at the current rate of interest. Thus a piece of land the rent of which is \$100 a year can be sold somewhere about two thousand dollars.

WEALTH. Anything created by human labor that ministers to human desire. It is, in the last analysis, produced entirely from land. No matter how many the intermediate steps in the process, the finished product will, in every instance, be found to be composed of materials obtained in their raw state directly from nature by the exertions of human beings. Labor and land are thus the primary and essential factors in all wealth-production. Capital is itself a compound of these primary factors, and plays an important role in accelerating the later steps in the process. Evidences of debt are not wealth, nor is land, which is simply the common source of the raw materials which are to be transmuted by labor into objects of human desire.

¹See Index for subjects not embraced under this head.

LABOR. The human element in the production of wealth. It consists in all human energy, whether mental or physical, expended in the process of wealth-production. Mere idle expenditure of muscular energy is not labor in the economic sense.

WAGES. The reward of labor for its share in wealth-production. It is that portion of wealth which falls to labor in the general distribution. Not only the daily, weekly or monthly sums paid by an employer to an employee, and all salaries, fees and *honorariums*, which represent the payment for service rendered in any form, but the wealth produced and retained by the individual, constitute wages. Thus the fish of the lone fisherman form his wages. That part of the value of the farmer's crop which remains to him after the payment of rent and all other expenses is his wages, except in so far as it represents the interest on his capital in the form of tools. In the savage state, where land is common property, and rent does not arise, labor receives the natural wage, which represents the full product. Under land monopoly, independent labor receives the value of the product less the tribute extorted by the owners of natural opportunities. Under the Single Tax, the wages of labor will be the equivalent of the full product of land at the margin of cultivation or production under the application of a like degree of efficient exertion. The excess over this return represents the superior opportunity afforded by society in imparting increased value to land above the margin, and will therefore be properly collected by society under the forms of taxation.

CAPITAL. That part of wealth used in the production of other wealth. It is not merely or primarily money, but in its simplest and original form is the primitive tool by which labor is assisted in production. It is, therefore, simply stored-up labor, having the specialized function of increasing the efficiency of simple labor. It is a secondary factor in production, but is introduced at so early a stage as to be indispensable as an auxiliary in all but the simplest processes. Since it is the tool of labor, capable of indefinite multiplication as well as of deterioration and destruction, and can be constantly reproduced by labor wherever access

is open to natural opportunities, it cannot in itself be the means of oppression or exploitation of labor, but may be used for the purpose by the monopolistic element in society, whenever, as throughout the world at present, the private appropriation of rent renders it possible and profitable to withhold the land from the use of all on equal terms.

INTEREST. That portion of wealth received by capital for its share in production. It may be regarded as deferred wages for the labor employed in the production of the capital. The justification of interest has long been a moot question, being confused in many minds by the exclusive use of the term in the narrow sense of a premium on money loaned. Its rate under given conditions is determined by the average return to capital in the different accessible opportunities for investment.

PRODUCTION. The process by which labor converts the raw materials of nature to means of satisfying human desires. Strictly speaking, it consists simply in changing the position of objects or portions of matter. It is adaptation, rather than creation. The savage, who pulls a root from the ground in order to eat it, performs an act of production no less than the workmen who unite to employ the most elaborate machinery in the manufacture of the most intricately contrived article.

VALUE. The measure of the relation of commodities to one another for purposes of exchange. As to its exact nature and source, no general agreement exists among economists; and many conflicting theories have been put forward. The price of goods is regarded as simply a rough reflex of their economic value. The theory of Karl Marx, that value is to be determined simply by a calculation of labor power exerted within a given time, has little support at the present day. Modern economists tend, though by no means unanimously, to support in general the so-called Austrian theory of value, which is a somewhat intricate conception to which has been given the name of marginal utility, or the degree of desire for an object attributed to the least eager of a series of possible purchasers.

MONEY. A device for facilitating exchange—the obtaining or rendering of service for service. By the use of money this equation of service may be deferred rather than immediate, and it is of prime importance that money should neither appreciate nor depreciate as a measure of service during any interval between giving and receiving service. That is the best money, therefore, which is the most stable as a measure of service—or labor.

The standard dollar of the United States at present contains 25.8 grains of gold, nine-tenths fine. This is a definite quantity of a certain commodity. To decrease the size or fineness of the standard dollar would be to decrease the service it would measure; to increase the size or add to the fineness of the standard dollar would be to add to the labor or service it would measure.

It appears to be inherently necessary to select as a measure of service some quantity of some commodity to serve as a unit of value, and this necessity limits the possibility of any money at any time or place being absolutely a stable measure of service. As a measure of service any commodity may vary at different times. All that can be said of gold, in this respect, is that it varies but slowly and within moderate bounds. Once a commodity is selected as furnishing a unit of value, however, it is difficult if not impossible to determine whether it appreciates or depreciates. It is always an accurate measure of itself. A dollar's worth—25.8 grains of standard gold—is always worth a dollar and must be so as long as gold is the standard.

Strictly speaking, money may be said to be standard coins only. Gold or silver certificates, greenbacks, bank notes and subsidiary coins may be said to be currency rather than money—representatives of or substitutes for money, rather than money itself.

TAXATION. The method by which public revenue is collected from the individual members of society who are held liable for the support of collective activities. Taxes may be direct or indirect. Direct taxes are those levied upon persons either *per capita* or in proportion to all or some species of their posses-

sions or activities. Indirect taxes are those levied upon the production or importation of certain articles, and are promptly passed on to the consumer. Excise and tariff duties are the principle forms of indirect taxation. Their tendency is to raise the cost of living, and to bear far more heavily in proportion upon persons of moderate means than upon the possessors of great wealth. Direct taxes, in turn, fall into two classes. They are levied either upon special privilege or upon the products of labor. A tax upon land values falls directly on special privilege, while practically all others strike the products of labor. The Single Tax, which involves the collection for social uses of the entire rental value of land, is the precise analogue of the methods by which legitimate private revenues are obtained by the individual. The sum total of social services rendered to the occupant of a given location by organized society is exactly reflected in the value of occupancy. The collection of this value, by means of taxation, is merely the enforcement of the proper payment for service rendered, which is the precise measure of payment to private individuals in non-monopolized industry. Of no other form of taxation can the same be said. A tax on incomes or one on inheritances, whether graduated or not, may be a step toward the artificial equalization of fortunes; but as it takes no account of the source of acquisition, it has no tendency to destroy special privilege or monopoly. As it makes no distinction between earned and unearned wealth, it has no value as a solution of the problem of social injustice, and by obliterating the distinction between superior industry and mere exploitation, it actually tends to discourage the former and to remove the incentive toward efficiency.

PROTECTION. The system under which tariff duties are imposed upon importations. It is supported by many manufacturing interests on the alleged ground that the free influx of foreign goods would create a competition against which American manufacturers would be powerless. Advocates of protection also credit it with the maintenance of high wage standards in this country, although evidence to support the statement is utterly

lacking. In the earlier stages of the development of a protective policy in the United States, the chief contention was that the infant industries of our young nation demanded an artificial bolstering up, until they should be fairly established and able to stand alone. Now that the industries are full grown, the ground is shifted, and protection advocated as a permanent policy. The claim that "the foreigner pays the tax" is not now heard so frequently as in the past, since the increasing prices of goods in protected industries have proved even to the dullest minds that every dollar of the tax is shifted to the consumer, who is made to bear the whole burden, while the protected manufacturer multiplies profits at the expense of the country as a whole. The burden of the protective tariff has become so great that the modern tendency is entirely in the direction of its downward revision.

FREE TRADE. The antithesis of protection. It is the removal of restraint from competitive industry. In its narrower sense, it is applied to the abolition of all tariff duties; but in its broader aspect it is the complete unshackling of industry from all forms of privilege, monopoly or governmental interference. The mere entry of foreign competition, while having a tendency to compel the lowering of prices and to limit the profits of certain manufacturers to a reasonable return, would in general only widen the range of exploitation of the consumer. True free trade can be brought about only by freeing the land by taxation of land values in the fullest degree.

MONOPOLY. The exclusive control of a given economic opportunity or activity. Natural monopolies are such as exist by the nature of things. For example, the waterworks system by which a city is supplied is usually incapable of effective duplication by a competitive system. Railroads are in a measure natural monopolies, as the extent to which a given line can be paralleled by a competitor is necessarily limited; and in some cases, such competitive paralleling is physically impossible. Artificial monopolies are those created by law. A patent is a limited artificial monopoly, granted for a term of years to stimulate

invention. The exclusive right to manufacture or sell a given article has at times been awarded by governments to certain favored persons without limitation of time. Such a right would constitute a complete artificial monopoly. Monopolies of every character necessarily benefit the few who are thus given an advantage over the many. The more nearly they deal with opportunities or substances of general use, the more oppressive they become. Land monopoly, or the right to fence off unused and needed portions of the earth from potential production, is the most basic and pernicious of all monopolies, as controlling the most vital needs of the race, and rendering the great body of mankind completely subject to the fortunate owners of natural opportunities.

PRIVILEGE. The unearned advantage granted to one member of society above another. In the Single Tax philosophy, it is the chief enemy of social justice; and its removal is the primary *desideratum*. The equal political rights of human beings form the cardinal principle of the democratic theory of government. It is held by Single Taxers that equality of economic opportunity is the logical corollary of political democracy, and that equal access to the land is its cornerstone.

COMPETITION. Rivalry in production or trade. Where semi-monopolized, it loses its real nature, and begets resort to unwholesome combinations in fraud of the general public. In its essence, however, it acts as a beneficial stimulus to business efficiency and as a corrective to excessive profits at the expense of the consumer. Where entirely free, it stabilizes prices by what Adam Smith referred to as "the higgling of the market."

BALANCE OF TRADE. A term used to indicate the balance of the profits of the exports and the imports of a country. It was popular with the ancient or mercantile system of political economy to reckon the wealth of a country wholly in gold, and to regard an excess of imports over exports as an unfavorable balance, and an excess of exports over imports a favorable one, as the difference must be paid in gold to the exporting country.

Since the days of Adam Smith, the theory has been an exploded fallacy; but it recurs at times in the arguments of certain advocates of the protective tariff.

ECONOMICS. Formerly known more frequently as political economy. The science of the production and distribution of wealth. It is based on the principle of the law of the line of least resistance in physics and finds its application in the tendency of human beings in relation with one another to gratify their wants in the most direct available manner and with the least exertion. The meeting of many wills directed to the same end, each for itself, causes certain relations to arise, which may be defined and classified. Academic economics is concerned largely with the analysis of the many intricate ways in which the economic relations of our complex society express themselves. Single Taxers and other radical economists devote themselves more particularly to searching out and expounding the basic laws that govern these relations, thus making economics not a cold and abstract science but the handmaid of social progress.

ANARCHY OR ANARCHISM. A philosophy of individualism carried to an extreme, and involving the absence of all repression. It is often confused in the popular mind with the overthrow of government and the destruction of social order. This popular conception of Anarchism is partly justified by the teachings of Bakunin. Anarchism, however, as held by its foremost teachers, is a non-resistant philosophy, and of this school Tolstoy is perhaps the foremost apostle. Peter Kropotkin, another eminent Russian, has been called a "Communist-Anarchist"; but when we read his recommendations for social reform, we find this designation misleading. Jefferson's dictum, that "that government is best which governs least", is generally taken to summarize the philosophy of democratic individualism.

Between the two extremes of Socialism and Anarchism the Single Tax philosophy occupies a middle ground, accepting the individualistic philosophy, but rejecting the extreme claims of Anarchism and recognizing the limited but important functions of State activity.—J. F. M., Jr.

APPENDIX

CONSTITUTIONAL LIMITATIONS ON TAXATION IN THE UNITED STATES

The constitution of the United States originally contained two restrictions on the taxing power of the federal government.

1. Direct taxes (by which is meant the ordinary taxation of property, such as is imposed by states and municipalities) must be levied against the states in proportion to their respective population; which would cause the rate on similar property to vary in different states according to the density of population. This limitation has been modified by the 16th amendment, ratified in 1913, and which permits congress to levy taxes on incomes from whatever source derived and without regard to population; that is, at a rate uniform throughout the United States.

2. Customs, duties, and excises are subject only to the limitation, that the tax imposed (on any article or for the exercise of any privilege) must be uniform throughout the United States. Duties on exports are forbidden.

The federal constitution limits the taxing power of the states in several ways. No state may tax interstate commerce as such; nor imports, consequently goods in unbroken packages are exempt while owned by the original importer. Agencies of the federal government are exempt; this includes salaries of federal officials and national banks; the latter are taxed only by permission of congress. The 14th amendment (guaranteeing equal protection of the laws throughout the United States) has been construed to prevent a State (1) from taxing a non-resident more heavily than a resident, (2) from taxing the property owned by a corporation at a higher rate than similar property of an individual. It does not prevent a state from taxing different kinds of property by different methods or rates that are uniform on a given class, nor does it prevent exemptions; nor prevent a special tax on corporations for the privilege of carrying on business in a corporate capacity. This limitation on the states may be summarized as permitting different treatment of various classes of property but requiring similar treatment of individuals owning the same kind of property, or otherwise similarly situated.

In nearly all the states the power of the legislature to deal with taxation is restricted by constitutional provisions. The constitutions of many of the states require that all property, real and personal, shall be assessed at full value and be taxed at a uniform rate; that is, a rate which shall be the same throughout the State for State purposes, throughout a county for county purposes, and throughout a local tax district for local purposes.

This constitutional requirement is often termed the "uniform rule," and the method of taxation which it imposes is known as the "general property tax."

A typical provision of this kind is that of the constitution of Indiana, adopted in 1851, and which reads as follows:

Art. 10, Sec. 1. The general assembly shall provide, by law, for a uniform and equal rate of assessment and taxation, and shall prescribe such regulations as shall secure a just valuation for taxation of all property, both real and personal, excepting such only for municipal, educational, literary, scientific, religious or charitable purposes as may be specifically exempted by law.

Similar provisions were inserted in the new constitutions of practically all states west of the Alleghanies when admitted to the Union.

In the states whose constitutions prescribe this uniform rule, taxes on corporations for the privilege of doing business (in addition to their taxes on real and personal property) usually have been sustained by the courts as being excises. Inheritance taxes are sometimes authorized in the constitution and in other cases have been sustained as a tax on the transfer of property (or the privilege of inheritance) and not on property itself. In some instances, "graded" inheritance taxes only are permitted; that is, a different rate upon direct than upon collateral legatees; in other cases, "progressive" taxes are permitted; that is, the rate may be increased according to the amount of the bequest.

Real estate occupied exclusively for religious, charitable or educational purposes, and sometimes personal property devoted to such uses, is usually exempted by the constitution, or the legislature is authorized to grant such exemption. Other slight modifications of the rigid uniform rule are occasionally provided, such as exemption of a small sum, or specific items, of personal property, and the deduction of debts from credits; in a few instances new manufacturing plants may be exempt for a term of years.

In recent years there has been a strong movement toward abolishing the uniform rule, and various amendments that range from permitting some degree of elasticity, to giving entire freedom to the legislature, have been adopted in the following states:

Virginia, 1902 (effective 1912); Minnesota, 1906; ¹Oklahoma, 1907; Michigan 1909; ¹Arizona, 1911; Maine, 1913; New Mexico, 1914; North Dakota, 1914; Kentucky, 1915; Maryland, 1915. In Kansas, a classification amendment failed by only a few votes in 1914; the same year a similar amendment in Nebraska failed only because it did not obtain a vote equal to a majority of the votes cast for state officers.

A number of constitutions fix a maximum tax rate; some fix it for state purposes only, others for local taxes. Such limitations relate only to the gen-

¹When admitted to statehood. Replacing uniform rule in territorial law.

eral property tax and do not prevent the raising of revenue from special taxes, such as those on corporations or inheritances.

Some constitutions limit local indebtedness to a percentage of assessed valuation of real estate or of real estate and of personal property. Many constitutions forbid the legislature to incur indebtedness unless the law is approved by the voters.

In the following summary of constitutional provisions, those states where no classification or exemption is permitted by the constitution are referred to as having the "uniform rule."

Most of the states whose constitutions do not require uniformity nevertheless have had the general property tax system by law, though there has been a tendency in recent years towards classification of property and special methods of taxation. Brief references are made to such laws.

ALABAMA. Property taxed must be assessed uniformly in proportion to its value, but the legislature may grant exemptions. Mortgages pay only a recording tax, and money and credits have been exempted.

ARIZONA. Constitution permits classification. Requires separate assessment of land and improvements.

ARKANSAS. Uniform rule.

CALIFORNIA. Operating property of public service corporations is taxed on gross earnings for state purposes and not taxed locally. Financial institutions specially taxed. Otherwise constitution requires general property tax. Income tax permitted.

COLORADO. Constitution requires uniform rule. A recently adopted provision giving home rule to cities is claimed to confer power of classifying or exempting property for local taxation; this is a doubtful question and has not been settled by the courts.

CONNECTICUT. Constitution contains no restraint upon the legislature, and various departures have been made from the general property tax, such as gross earnings taxes on corporations in lieu of property taxes, and a four-mill annual tax on choses in action (bonds and notes).

DELAWARE. The legislature may grant exemptions, subject to the provision adopted in 1897 that "in all assessments of the value of real estate for taxation the value of the land and the value of the buildings and improvements thereon shall be included. And in all assessments of the rental value of real estate for taxation, the rental value of the land and the rental value of the buildings and the improvements thereon shall be included." There is another provision, that the legislature may by general laws exempt such property as in its opinion will best promote the public welfare. The tax laws of Delaware are quite liberal in respect to personal property.

FLORIDA. Uniform rule.

GEORGIA. Uniform rule.

IDAHO. Legislature may grant exemptions and has exempted mortgages, certain securities, growing crops, and fruit trees.

ILLINOIS. Uniform rule.

INDIANA. Uniform rule.

IOWA. The legislature may establish different rates for different classes of property, but cannot set aside any particular class for state or for local taxation. Money and credits are taxed at the special rate of 50c. per \$100.

KANSAS. Uniform rule.

KENTUCKY. The constitution was open until 1891, when a "uniform rule" provision, similar to that of Ohio and Indiana, was adopted. At the November election, 1915, the voters approved an amendment giving the legislature the power to classify property, subject to referendum.

LOUISIANA. Uniform rule.

MAINE. A recent constitutional amendment (1913) authorizes the taxation of intangible personal property—money, credits, securities at special rates, but no change has been made in the law so far. Otherwise the general property tax seems to be required.

MARYLAND. The legislature has passed several laws in recent years for special taxation of certain kinds of property, such as securities and bank shares; and has empowered localities to exempt manufacturing machinery. There has been a question as to the constitutionality of this legislation, and therefore a constitutional amendment was submitted to the people and ratified November, 1915, which authorizes the legislature to classify and sub-classify improvements on land and personal property, and to permit localities to tax such classified property at such rates as they see fit or to exempt it.

MASSACHUSETTS. The legislature may exempt any class of property entirely, but if taxed at all the rate must be uniform with that on other taxable property. At the 1915 election an amendment was adopted authorizing the legislature to impose income taxes and to exempt the property from which the income is derived. In 1916 an act was passed taxing the income from securities and money and exempting such property. There is also an income tax on professional men, and individuals in business, but no exemption of property thereby. An amendment of 1912 permits special taxation of woodland.

MICHIGAN. The legislature may exempt any class of property, and may impose specific taxes, within certain limitations; and has enacted a mortgage recording tax and a similar registry tax on securities.

MINNESOTA. Railroads pay a gross earnings tax only. The legislature may classify other property for taxation by general laws (pursuant to an amendment adopted in 1906), and has enacted a mortgage recording tax and a three mill tax on money and credits. An act passed in 1913 provides for the assessment of certain property at different ratios to full value; for example, iron ore mined or unmined, 50%; household goods, 25%; live stock and merchandise, unplatted real estate, 33½%; other property, 40%. Inheritance taxes may be enacted but not to exceed five per cent.

MISSISSIPPI. Uniform rule.

MISSOURI. Uniform rule, modified by a special provision allowing St. Louis to levy a lower tax on merchandise and manufacturers materials than on real estate. A low rate tax on securities, however, has been enacted, (1917); also an income tax.

MONTANA. Uniform rule.

NEBRASKA. Uniform rule.

NEVADA. Uniform rule.

NEW HAMPSHIRE. The legislature may, as in Massachusetts, exempt any class of property, but that which is taxed must pay the same rate as other property. In New Hampshire (as in Pennsylvania) no class of property is taxable unless specifically named in the law, and many items of personal property are exempt that in other states are taxable.

NEW JERSEY. Property must be *assessed* under general laws and by uniform rules according to its true value. This language, however, does not prevent state-wide classification or exemption. Railroads and financial institutions are taxed in a different way from other property.

NEW MEXICO. Constitutional amendment of 1914 abolished uniform rule. Taxes on tangible property are to be in proportion to value thereof, and equal and uniform on subjects of the same class.

NEW YORK. Constitution is silent on taxation. The legislature may classify or exempt property, or set any kinds apart for state or local taxation, or establish special rates or methods for different kinds of property, and many such laws have been enacted.

NORTH CAROLINA. Uniform rule.

NORTH DAKOTA. The constitution was amended in 1914, to abolish the uniform rule, and leaves the legislature free, but no change has been made yet in the general property tax.

OHIO. The uniform rule has been in effect since 1851. For a few years bonds of the state and its municipalities were exempt, but they were made taxable again by the convention of 1912. At the same time a provision

was added to permit income taxes, but in addition to property taxes; and inheritance taxes were authorized provided half of the revenue is given to the locality where the decedent resided. These provisions were ratified in that year and amendments submitted since then to permit classification and to exempt public bonds have been defeated, the last in 1915.

OKLAHOMA. Legislature may classify property.

OREGON. Uniform rule.

PENNSYLVANIA. The constitution leaves the legislature practically free to deal with the subject and the state has not had the general property tax. Public service corporations are taxed by the state and exempted locally. There is no tax on merchandise, furniture, and other tangible personal property, except on live stock. Certain intangible personal property is taxed at a low rate uniform throughout the State. Machinery that is personal property is exempt; and by recent legislation, machinery must not be included with the real estate assessment in first-class (Philadelphia) and second-class (Pittsburg and Scranton) cities; all kinds of machinery are therefore exempt in those cities. By an act of 1913 the tax rate on buildings in second-class cities (Pittsburg, Scranton) is to be reduced ten per cent. every three years, beginning with 1914 (when it was only ninety per cent. of the rate on land) until the rate on buildings is half that on land.¹

RHODE ISLAND. The legislature is free to deal with taxation, and has enacted a number of laws establishing different rates and methods of taxing various kinds of property. Localities are permitted to exempt certain personal property from local taxation.

SOUTH CAROLINA. Uniform rule.

SOUTH DAKOTA. Uniform rule.

TENNESSEE. Uniform rule.

TEXAS. Uniform rule.

UTAH. Uniform rule.

VERMONT. Constitution leaves legislature free. Replanted timber land is exempt for 10 years. Localities may exempt for 10 years abandoned farms that are recultivated, and factories.

VIRGINIA. The legislature may classify property (since 1912) and has recently enacted lower taxes upon intangible personal property.

WASHINGTON. The constitution requires a uniform and equal rate of assessment and taxation on all property in the State. The legislature in 1907 exempted credits and securities. This exemption was sustained by the Supreme Court on the theory that these items were only the evidences

¹See page 62 for Pittsburg and Scranton.

of property, and to tax them was a double taxation which, while permitted, was not required by the constitution.

WEST VIRGINIA. Uniform rule.

WISCONSIN. The constitution permits an income tax; which is levied and much personal property is thereby exempted. The rate must be uniform on property taxed *ad valorem*.

WYOMING. Uniform rule.

—A. C. P.

PUBLIC REVENUE AND EXPENDITURES IN THE UNITED STATES

There are no exact compilations showing the aggregate taxes levied or expenditures for public purposes in the United States. The federal census reports are the most complete, but the figures are not exact. And as they are compiled primarily from an accounting standpoint, the aggregate totals do not show correctly the tax burden.

The latest census report is for the year 1913 and gives the aggregate of "governmental cost payments" for that year as \$2,966,970,493. The census figures for these payments by the national, state, and local governments, and the per capita amounts, are given herewith as table 1.

TABLE I
Aggregate of governmental cost payments, 1913.

		per capita
National government.....	\$ 952,600,857.....	\$ 9.81
State governments.....	382,551,199.....	3.95
Counties	385,181,760.....	4.49
Incorporated places (2,500 pop. and over)	1,246,636,677.....	27.29
Total	<hr/> \$2,966,970,493.....	<hr/> \$30.56

The totals in this table are misleading in several respects. They include some \$78,000,000 of subventions, which are taxes collected by one governmental division and given over to and paid out by another. They include \$332,000,000 expenses for public service enterprises, which are not a burden upon the taxpayers. They include also receipts from bond issues. On the other hand, however, the total given for local governments includes only those of 2,500 population and over, while the omitted smaller political divisions contain more than one-half the total population. On the basis of the census estimates of 1902, and the 1913 reports of *ad valorem* taxes, the total revenue of these omitted minor subdivisions is probably \$300,000,000. This sum will largely offset the deductions which should be made from the totals, and therefore the figures given in table 1 are sufficiently correct to show the approximate cost of government.

Table II is based upon the census returns and shows the public revenues for 1913, excluding the money received from bond issues, deducting subven-

tions and grants, and including only the profits from public service enterprises. The latter are mainly, the post office for the national government, and water works and lighting plants for municipalities. It is the common practice to include all of the receipts from these enterprises as revenues and their cost as expenses. Obviously, the cost is paid by the consumer of the particular service and is not a burden on the general body of taxpayers; therefore only the profits should be classed as revenue.

TABLE II
Public Revenues, 1913.

National government.....	\$ 682,892,706
State governments.....	367,139,779
County governments.....	346,585,940
Localities, 2,500 and over.....	932,032,708
Localities, under 2,500 (est.).....	300,000,000
Total.....	<u>\$2,628,651,133</u>

SOURCES OF PUBLIC REVENUE

Until recent years, the receipts of the federal government were chiefly from customs duties and the internal taxes on liquor and tobacco. In 1909, an income tax on corporations was enacted, and, after the ratification of the income tax constitutional amendment, it was extended in 1913 to apply to individuals. In order, therefore, to show the present incidence of federal taxation, table III gives the federal receipts for 1915, as given in the *Statistical Abstract* issued by the Department of Commerce.

TABLE III

Receipts of the Federal Government for fiscal year ending June 30, 1915,
excluding postal revenues.

¹ Customs revenue (duties on imports).....	\$209,786,672
Liquor taxes (domestic).....	217,922,673
Tobacco taxes (domestic).....	77,470,757
² Stamp tax (on documents).....	23,455,965
Special taxes (on occupations).....	14,281,074
Income tax.....	80,201,759
Tax on national banks.....	3,908,607
Taxes, District of Columbia.....	8,748,522
Miscellaneous receipts.....	51,110,063
Total.....	<u>\$686,886,092</u>

¹For the ten years 1905-1914 (prior to the European war), the customs revenues averaged \$295,000,000 annually.

²Enacted October 22, 1913; repealed September 9, 1916.

The new revenue act of 1916, effective September 9, increased the "normal" income tax rates from 1 to 2 per cent. and the surtax rates on incomes over \$20,000. The changes are expected to yield \$110,000,000 additional revenue annually.

The act also established a federal inheritance tax on estates over \$50,000, graded from 1 to 10 per cent. This tax is expected to yield \$50,000,000 annually.¹

A franchise tax on corporations for the privilege of doing business, of 50 cents per \$1,000 of capital over \$99,000, was also enacted. On the basis of the income tax returns, this new tax will probably yield \$30,000,000 to \$40,000,000.

In table II the totals of public revenues have been shown separately for states, counties, and local governments. It is impracticable, however, to separate these totals to show the various classes of taxes received by each of these governmental divisions. The laws of the forty-eight States vary largely; in many States the State and county revenue is raised almost altogether from the same classes of property that contribute to local revenue. Some States have a complete separation policy, by which the State revenues come from sources that do not contribute locally, and vice versa.

Table IV therefore shows only the aggregate of both State and local revenues derived from various kinds of taxes, as given in the census.

TABLE IV

State and Local Revenues, 1913.

² Real estate taxes.....	\$1,012,380,776
² Personal property taxes.....	337,460,262
Special assessments for benefits.....	113,218,693
Liquor licenses.....	79,517,989
Business taxes, including gross earnings.....	61,802,510
Special property taxes, (corporations, securities, etc.).....	57,490,566
Taxes on inheritances.....	26,470,964
Taxes on insurance.....	17,554,971
Highway privileges.....	13,693,161
Poll taxes.....	13,412,527
Profits from public service enterprises.....	55,985,109
Miscellaneous.....	156,770,899
Total.....	<u>\$1,945,758,427</u>

¹The rates were increased 50%, to range from 1½ to 15 percent., by act of March 3rd, 1917, which also imposed a tax of 8 percent. on all profits of corporations above 8 percent. on capital invested.

In May, 1917, Congress authorized the issue of \$5,000,000,000 bonds for war expenses, and \$2,000,000,000 short term notes in anticipation of taxes. It is impossible of course to deal here with the extraordinary war expenditures or the taxes that may be levied to meet them.

²The census does not show separately the receipts from real estate and personal property taxes. They are apportioned here on the basis of the census totals of the assessed valuations of these two classes of property.

The main item of revenue is the tax on real estate. As many States do not separate land and improvements in the assessment, figures for the relative burden on land and buildings cannot be given. It is probable, however, that of the one billion dollars of real estate taxes, between six and seven hundred million dollars come from land values. The special assessments for benefits are in the nature of a real estate tax, being the charge for public improvements which is levied directly against the owners of adjacent land.

The next largest item in the table is for personal property taxes, this heading covering the ordinary *ad valorem* assessment. This total, however, includes a large revenue from public service corporations. Some states assess all the property of such corporations (including real estate) as "personal property;" some States assess their franchises (or the value in excess of the tangible property) as personal property. On the other hand, the items of business taxes, special property taxes, and taxes on insurance, include many special taxes which are levied in lieu of the ordinary personal property tax.

About 80 per cent. of county and local taxes are levied *ad valorem* on real and personal property (the general property tax). The larger part of the other forms of taxes go to the state governments. School taxes levied *ad valorem* aggregate \$486,000,000.

There is no compilation of the total taxes on public service corporations. The steam railroads report to the Interstate Commerce Commission a total tax payment of \$136,000,000.

PUBLIC DEBT

The census report shows a net increase of State and local indebtedness in 1913 of \$264,392,937. The total public indebtedness is given as follows:

TABLE V.

Public Debt, Less Sinking Funds, 1913.

National government.....	\$1,028,564,055
States, funded debt.....	326,512,349
States, floating debt.....	19,429,956
Local, including county, funded debt.....	3,005,802,821
Local, floating debt.....	470,151,532
Total.....	\$4,850,460,713
Net funded debt.....	\$4,360,879,225
Per capita.....	45

The item of floating debt is chiefly money borrowed on short time notes in anticipation of the collection of taxes for the current year.

The net funded debt of the City of New York for 1913 was \$792,519,705.

being more than one-fourth the total local debt reported. In 1915 this had increased to \$945,000,000, of which about \$300,000,000 is self sustaining, being invested in revenue producing property, water supply, docks and rapid transit.

The total investment of all localities in public service enterprises is reported as \$1,507,133,398, of which probably the larger part is revenue producing. Probably also most of these enterprises have been paid for by bond issues, which to the extent of the earnings are not a burden on general revenues. The profit reported from local public service enterprises (table IV), \$55,985,109, is less than 4% on the investment. But owing to the wide divergence in local accounting, and the absence of information as to the portion of the investment represented by bonds, no analysis can be made of these figures.—A. C. P.

LAND OWNING AND TAXATION IN SOME AMERICAN CITIES¹

CITY OF NEW YORK

The area of the City of New York is about 315 square miles. There are five counties within the city limit. Each county also comprises a borough of the City. The area of the various boroughs is as follows:

Manhattan	21.93 square miles	14,038 acres
Bronx	40.65 " "	26,017 "
Brooklyn	77.67 " "	49,709 "
Queens	117.31 " "	75,082 "
Richmond	57.19 " "	36,600 "
	<hr/> 314.75	<hr/> 201,446

Number of Parcels of Real Property

	1909	1915
Manhattan	98,172	94,387
Bronx	59,840	67,058
Brooklyn	193,350	216,465
Queens	110,579	140,148
Richmond	28,039	35,828
Total	<hr/> 489,980	<hr/> 553,886

REAL PROPERTY VALUES IN 1915

	ORDINARY LAND VALUE	Per Capita	IMPROVEMENT VALUES	Per Capita
Manhattan	\$3,184,441,505	\$1242	\$1,596,084,570	\$622
Bronx	345,712,366	514	261,513,090	389
Brooklyn	788,155,904	404	807,901,863	414
Queens	283,983,456	706	180,899,338	450
Richmond	41,121,545	408	38,076,990	377
All Boroughs	<hr/> \$4,643,414,776	<hr/> 816	<hr/> \$2,884,475,851	<hr/> 507

¹For other cities see Index.



With the exception of Manhattan and, possibly, Brooklyn, the land value per capita is not very significant, as a large part of the values of Bronx, Queens and Richmond is due to their proximity to Manhattan rather than to their own entity. They receive the overflow of population from Manhattan. Conversely, they contribute to the high values of business districts in Manhattan.

VACANT LAND WITHIN THE CITY

The report of the Department of Taxes and Assessments for the year 1915 shows the total number of parcels (lots) vacant. It must be remembered that the department counts every parcel which contains any improvement, however slight, as improved. In the suburbs, vacant parcels are frequently acreage plots, hence the actual area vacant is greater than the figures might seem to indicate. Exempt and partially exempt parcels are included in the total number of parcels, but only taxable land is listed in the number of vacant parcels. 13% of the land value is in vacant land.

	Vacant Par- cels of Land 1915	Percent.	VALUATION
Manhattan.....	7,482	8.0	\$151,425,530
Bronx	34,202	52.0	138,303,861
Brooklyn.....	50,543	23.4	150,187,487
Queens	82,753	59.6	151,897,007
Richmond.....	18,564	52.2	13,844,325
All Boroughs.....	193,544	34.9	\$605,658,210

LAND OWNERS AND TENANTS

The number of individual owners of land in New York cannot be ascertained, because the City Tax Department assesses by lot and block numbers and tax bills are rendered and paid accordingly. The city does not deal with persons and is indifferent as to who owns the lots or pays the taxes. It collects its delinquent taxes by selling its liens on the lot.

The number of tenants, however, may be arrived at from the Tenement House Department and United States Census reports. The Tenement House Department in 1913 said there were about 3,750,000 persons living in tenements. They are practically all rent payers. The United States Census bulletin on Ownership of Homes in 1910 gives the following information:

Renters 88.3%, owners 11.7%. The homes owned free and clear were 3.5% while 8.2% owed mortgages on their homes. 97.1% of the families of Manhattan are renters, while in the rural Borough of Richmond, 62% are renters.

There are 150,000 one family dwellings, 78,000 two family houses, and 105,000 tenement houses in the city. Many of the one family houses in Manhattan

and Brooklyn are occupied as boarding and lodging houses, and are practically tenements though not legally classed as such.¹

Assuming that there are 1,000,000 families in New York, there are approximately:

One family in a house.....	100,000
Two families in a house.....	156,000
More than two.....	744,000

The estimated population of New York on January 1, 1916, was 5,597,982. The density of population per acre in 1913 was:

Manhattan	173.6
Bronx	20.4
Brooklyn	35.7
Queens	4.0
Richmond	2.5
Average for city	24.7

The 5,597,982 persons in New York live on 202,176 acres of land, or $\frac{36}{1000}$ of an acre on the average to each person. The area if laid out in the usual size lots of 25 feet by 100 feet, and allowing for streets, would include 2,426,880 lots or a little less than one lot for each two persons.

REVENUES OF THE CITY, 1915

Real estate tax (land and buildings)	\$141,423,264.35	
Personal property tax	4,953,244.96	
Special franchise tax	8,000,340.97	
Real estate of corporations tax, principally property such as railroad beds, rails, ties, etc., on private rights of way)...	3,522,617.04	
Total revenue from regular tax rate ² ..		\$157,899,467.32
Special taxes:		
Bank share tax (1% rate).....	3,607,183.12	
Mortgage recording tax.....	834,259.06	
Liquor license tax.....	5,248,040.94	9,689,483.12
Special revenue derived from water supply, operation of docks, ferries and subway, permits, licenses, fees, interest penalties on delinquent taxes, special assessments for benefits, etc.....		42,827,988.19
Total city revenues		\$210,416,938.63

¹A tenement house, legally, is any house occupied as a home by three or more families, living independently of each other, who do their own cooking on the premises, and have a common right in the halls, etc.

²The tax rate for city purposes is uniform, but county rates vary. The total rate in 1915 varied from \$1.87 per \$100 in Manhattan to \$2.13 in Richmond. The 1917 rate in Manhattan is \$2.02; in Richmond, \$2.12.

REVENUES FROM LAND VALUES

There are no official figures showing the revenue from land values, as the tax bills do not show separately the taxes on land and on buildings

In 1915 the land value of New York was 61.7% of the total ordinary real estate value. From this the taxes raised were, approximately;

Land,	\$ 87,258,154
Improvements	54,165,110
Total	<u>\$141,423,264</u>

The revenue derived from the ordinary land values of the City was approximately 41% of the city budget.

Included in the \$42,000,000 of special taxes are the gross revenues from water rents and docks. On the other hand, the city budget includes the cost of operating these utilities. Proper bookkeeping would treat them as separate enterprises and only the profit would be included in the revenues.

If proper allowance were made for these items, the percentage of the budget raised from land value taxation would be somewhat higher than the 41% given above.

Of the \$42,000,000 special revenues, about \$10,000,000 was from "special assessments" levied on land values for benefits from particular public improvements. The land value element in special franchises and corporation real estate is not separately stated. Allowing for all of these factors, it is a conservative estimate to assume that 50% of the total city revenue is derived from land values, which would be at least \$100,000,000 annually.—W. R.

CHICAGO

Chicago (population 2,472,158) has an area of 198.9 square miles and contains from 300,000 to 350,000 buildings of all kinds. According to the U. S. bureau of the Census report on the ownership of homes, there were in the city of Chicago in the year 1910, 473,141 homes (including flats) of which 121,447 or 26.2 per cent. were owned and 343,472 or 73.8 per cent. of the total were rented. Of the 121,447 homes, which were owned, 55,025 were free of all encumbrance and 64,981 were encumbered, or, in other words, 45.9 per cent. of the homes owned were free and 54.1 per cent. were encumbered.

Fully one half of the land values of Chicago are within the square mile containing the business section. The Marshall Field estate owns approximately \$43,000,000 worth of land in this section, the improvements on which amount to an additional \$17,000,000. This is exclusive of members of the family other than Marshall Field III and the estate of Marshall Field, and includes nothing outside of the business center.

During the year 1915, there were filed of record in Cook County, \$251,395,189 of real estate mortgages. Assuming four years to be the

average life of mortgages, the total real estate indebtedness in the County is \$1,005,480,756.

Since 1890 there have been filed about 1,100 ninety-nine year and other long term leases on Chicago land, which yield in the aggregate about \$7,860,998 in ground rent. Most of these leases require the lessee to pay all taxes and special assessments and to construct a building worth not less than a designated sum within a certain period of time. Sometimes the lease stipulates that at the end of the term the improvements shall be paid for by the landlord at an appraised valuation, but more often that they shall be his without compensation.

The Illinois law requires that real estate be assessed quadrennially and that the land and the improvements thereon be listed separately. In 1915, when the last assessment was made, the assessors' books show that the full cash value of Chicago's land was \$1,195,956,396 and of real estate improvements \$1,112,769,760. This was an increase in land values of \$93,600,444 and in improvements of \$45,969,318. The assessors' "full" valuations are about 15% too low. Adding 15% gives \$2,655,035,078 as the true valuation of Chicago's real estate, \$1,375,349,854 being land value and \$1,279,685,224 improvement value.

The public revenue derived from general taxes on Chicago real estate is \$52,687,771, of which \$24,139,343 is raised from improvements and \$28,548,428 from land values. Chicago's share of the earnings of its street car systems was \$2,558,383 last year and special assessments yielded about \$8,000,000, making the total levy against land values \$39,106,811, including the city's share of the earnings of the street railway companies, which is properly classified as revenue from land value.

Licenses and wheel taxes amount to \$13,000,000 while the water department yields a gross income of \$7,000,000.

The records show that the Board of Assessors of Cook County (in which Chicago is situated) appraised approximately 195,681 acres of unimproved land and 185,290 acres of improved lands, 467,243 unimproved lots and 392,126 improved lots.

It will thus be seen that the county containing the second city of the United States has 51.4 per cent. of its agricultural land unimproved and 48.6 per cent. with some kind of improvements. Of its urban lots, 54.4 per cent. are idle and 46.6 per cent. are improved.—E. B.

BALTIMORE

Baltimore is one of the old cities of a new country. In 1730 a commission was authorized to lay out a town on the banks of the Patapso River. The town consisted of sixty acres divided into sixty lots which were sold for forty shillings an acre, tobacco being accepted as legal tender instead of current money at the option of the buyer.

Today there are within the city limits of Baltimore thirty-one and two-thirds

square miles with a suburban section of large area. According to the U. S. census of 1910 its population within the city limits is 558,485, while its population including those persons who reside just beyond the city limits is 691,000.

This same Baltimore, which originally cost a "pinch of snuff" as we may say, has an assessable basis for 1916 of \$835,686,178, an increase since the great fire of February 7, 1904, of \$344,000,000. This great fire traversed more than 140 acres and destroyed forty-six blocks in the heart of the city, and it was a common saying that owners who were burnt out woke up next morning richer than before the fire. The city widened the streets and took over eight acres for public improvements, with the result that some lots sold for double the price that lot and building formerly brought. Baltimore since the fire has enjoyed a reconstruction period in the most literal sense.

A complete sewerage system was built; modern docks, municipally owned, replaced those destroyed; streets have been widened; parks extended; miles of streets opened, and new school houses built. The effect of all this is to make Baltimore a more desirable place to live in, and the benefits flowing to the owners of the land of Baltimore and vicinity they are permitted to pocket. Our taxing authorities are obsessed with the idea of collecting taxes as easily as possible, and this at the expense of those who improve. The desire to get revenue, no matter how, supersedes any other principle. Little attention is given to the correct canons of taxation, which are that taxes should be levied on Land Values, as they and they only reflect the benefits conferred by governmental service; hence, inequality is the rule.

However, in 1912 a commission was appointed to consider the taxation system of the State and of Baltimore City, because it has been a matter of common knowledge that the tax burdens have not been equally distributed. They prepared an exhaustive report, one result of which was the adoption of a constitutional amendment prepared by our Single Tax friend, Jackson H. Ralston, which permits the classification of property for taxations, by which land can be made subject to one rate of taxation and improvements subject to another rate. Under the amendment Baltimore, which is a separate political division having the legal status of a county, is made a taxing unit and can be empowered by the Legislature to exempt improvements from taxation. A bill fixing a rule for assessment of land and classification of property is now being offered in the Legislature by Senator Ogden, a Single Taxer, to make the amendment effective, and we can then strive for a measure of Single Tax in Baltimore.

For the first time, in 1915 the Land Values of the City of Baltimore were compiled separately, the land value assessment being as follows:

	LAND VALUE	IMPROVEMENTS
In 1914.....	\$158,000,000.....	\$242,181,826
In 1915.....	\$165,000,000.....	\$254,252,091
In 1916.....	\$173,000,000.....	\$260,621,158

The figures approximate 80% of value. Actual value for 1916 would be \$207,000,000. This is in round numbers. They are compiled by Wards

and if the limit of this article permitted, some interesting deductions could be made, showing, from a Single Tax standpoint how the small property holder is burdened for the benefit of the large business property holder.

There are 115,243 private dwellings in the city of Baltimore, 50% of them being two stories in height. In 1900, 20.5% of all private dwellings were owned unincumbered; the balance were encumbered or hired. Fully 90% of new dwelling property is built subject to a ground rent; that is the improvement stands on leased ground.

Business property is usually held in fee and comprises about 30% of the whole and is mortgaged about 50% to 60%.

The system of Ground Rents is peculiar to Baltimore. It is a relic of colonial times transplanted by the early English colonists. There are a number of irredeemable ground rents, but all later rents have a clause fixed by law in same that permits the lessee after five years, on thirty days notice, to purchase the land on a six per cent. basis. They are really mortgages, and the best sort of a mortgage for the lessee, as the principal never falls due as long as the ground rent is paid unless the lessee determines to redeem same. The lessee pays all taxes and public charges of every kind as well as the ground rent. There is no way of finding out the amount of mortgages, but experts who have been asked give it as their opinion, counting ground rents as in the nature of mortgages, together with regular mortgages, that considering value it would amount to between 50% and 60% and considering lots to about 75%.

Baltimore, like all large cities, has its evils of large land holding interests surrounding its outskirts. The Canton Co. on the east owns 1600 acres. The Perrine estate owns 4600 acres. Then we have the Abell estate, the Gettings estate, the Brown estate, the Roland Park Co., all ready to reap the values that attach as the city expands, and equally ready to insist on special low rates of taxation before they will allow this expansion. The counties control our Legislature.

In 1888, the last time the city expanded, the big land-holding interests succeeded in fixing three rates of taxation, city, suburban and rural, the suburban two-thirds and the rural one-third of the city rate. Where the householder in the city has to pay a rate of \$2.00, the land holding interest in the rural district will pay only 67 cents on an admitted low and unfair assessment.

Baltimore has a continuing method of assessment and, relatively to the counties' assessments, is very high, one-fifth of the city being assessed each year. The system is now being started for the State. Judge Leser, the leading tax administrator and a member of the State Tax Commission, says, "That plan is best which limits it to real estate, as it is impossible to determine with any degree of accuracy the value of personal property. With real estate it is different. Not only can definite standards of valuation be applied but it can in all cases be seen and measured." This is an admission that "land lies out of doors," lending itself to fairer assessment. After all equality is the great desideratum. The support of government should always be borne by recipients in proportion to benefits received. Site value alone shows these benefits,



and a tax on same makes one pay according as he receives and does produce equality. Again, every tax reduces rent, and land suffers in the last analysis. What is paid to live in society are taxes and rent. The important thing is to adjust taxes properly. This the Single Tax will do.—J. S.

LOS ANGELES

The law of California reads that all property must be assessed at its full cash value, land, improvements, and personal property. But the assessors do about as they please, and have been assessing improvements (buildings) at fully 50% of their value, and at the same time assessing the land at anywhere from 10% to 25% of its value.

This city and county have a double assessment, each having an assessor and tax collector. All city school funds are collected by the county and turned over to the schoolboard, which makes the county tax rate about the same as the city rate, and sometimes a little higher.

There has been a great deal of dissatisfaction in regard to the two assessments, not only for the trouble that it makes the taxpayers, but the difference in the amount of the assessment of the same piece of property by the two assessors.

Last year the city and county officials agreed to have the entire city valued by experts, both land and buildings, and the city and county assessors were pledged to use the valuation, and assess the city at 50% of the valuation. This has been done and the consequence is the assessment of the land has been increased over last year about 35% for the entire city.

At the same time the buildings have been lowered about 20% which makes the land pay nearer its proportion of the taxes than it ever has before.

The low tax on the land has encouraged the holding of vacant land for a high price, with the result that the city has spread over a much larger territory than is necessary.

The population is estimated to be about 600,000. The area of the city is 288.21 sq. miles; 184,467 acres. There are about 125,000 buildings on 100,000 lots, and 125,000 vacant lots.

The city tax rate for the coming year will be \$1.45 for each \$100 assessment, and the county rate \$1.47, making a total of \$2.92.

The land of the city is assessed this year for	\$381,051,170
Improvements (buildings) assessed for	121,533,040
Personal property assessed for	107,101,115
Total	<u>\$609,223,705</u>
Exemptions	\$29,006,950
Exemptions, Corporations	98,454,670
Assessed value of property to pay city taxes	<u>\$482,223,705</u>

Public Service Corporations are exempt from paying city taxes, except in payment of bonds and interest on bonds, issued previous to Nov. 8, 1910, but pay State taxes, and property paying city taxes pays no State taxes.

The above is not all the taxes that the citizens of Los Angeles pay; this is a city of special assessments and licenses. Last year there was more paid in special assessments and licenses than was collected by the assessor and tax collector.

The city has 2,150 miles of streets, about 375 miles are of pavements of different kinds, and a little over 700 miles are oil and gravel, which makes a good street.

The city has very few sewers for the area, and no way for the water to get away when the rainy season comes, so when we get an hours rain we have a flood. Which means lots of special assessments in the future, and heavy taxes to get the improvements that are absolutely necessary for the modern city. Allowing four people to every fifty feet of paved streets, the whole population of the city could be living on streets that are paved, but as it is about one-half live on the unpaved streets, which means lots of dust during the dry season, which is about six months of the year, and the balance of the year in the mud. Such is the result of land gambling; it drives people out where they think they can get land at a reasonable price. But there never is land at a reasonable price under such conditions, and all find it out after they have put in the best part of their lives working under adverse conditions only to find, if they ever do, that when the property is in a more convenient location, due to the growth of the city, they have paid all it is worth without counting the inconveniences they have put up with.

Los Angeles has municipal ownership of the water works, with not much benefit to the users of the water, as the city charges twice what the water is worth and the profit is used to extend the system out past the vacant land to help the land-hog that never paid his share of the taxes.

TENANT FARMING

The average value of farm land throughout the United States in 1910, aside from buildings, was \$32.49 an acre, according to the census. In 1916 according to the Department of Agriculture, this value had grown to \$45.50, an increase of 40 per cent. Since the total value of farm lands, aside from the buildings, was returned in 1910 as \$28,475,000,000 the total increment since then must be more than eleven billions. The total agricultural wealth produced in 1910 according to the Department of Agriculture, was \$8,498,413,000. Thus the production of that year would not even pay increase in land values for six years since then, to say nothing of the inflated prices that prevailed during the census year. Under these conditions we might naturally expect to find a great increase in farm tenantry.

In twenty years from 1890 to 1910 the number of tenant-operated farms in the United States increased by 32 per cent.

Tenants in Texas increased during twenty years from 37.6 per cent. of all the farmers to 52.6 per cent of all the farmers in 1910.

NEW YORK'S SPECIAL FRANCHISE TAX

The "special franchise" tax law of New York was enacted in 1899. Its effect was to make taxable as real estate the value of the privilege of constructing and operating rails, wires, pipes, etc. in, under or above public highways or places. Prior to that time only the tangible property itself had been taxable. Some other states had in various ways taxed the value of such privileges, but the New York law was perhaps the first to define this privilege of using public highways as real estate. Because of the large values involved and the strong opposition, this law attracted much attention. It was fought through the courts but finally upheld as constitutional both in the State and United States courts.

For administrative reasons the assessment of special franchises was placed in the hands of the State Tax Commissioners and the value of the tangible property was to be included as part of the special franchise value. Because of court decisions, the State Board has made a separate assessment of the tangible property and of the intangible, or privilege, value, but heretofore the separate amounts have not been made public.

In the report of the State Tax Commission for 1916, these values are shown separately as follows:

	TANGIBLE PROPERTY IN STREETS	INTANGIBLE VALUE OF PRIVILEGE	FULL VALUE SPECIAL FRANCHISES
City of New York	\$210,218,964	\$249,649,386	\$459,868,350
57 other cities	66,159,971	63,742,404	129,902,375
Outside of cities	41,930,738	17,604,474	59,535,212
Total	\$318,309,673	\$330,996,264	\$649,305,937

It will be noted that the value of the right to occupy the highways is slightly in excess of the value of tangible property for the State as a whole, and proportionately is a little higher still in the City of New York.

The above figures are not those on which taxes are paid. The State Tax Commission equalizes the special franchise assessments to the same percentage of full value as other real estate is assessed in the different localities. This reduces the total assessment of special franchises to \$560,000,000.

The special franchise valuations are certified to the local authorities and taxed by them in the same way as other real estate. There are no exact figures showing the tax paid, but the aggregate is estimated for 1916 by the State Tax Commission as \$11,214,000. Nearly \$6,000,000 of this amount is payment for the highway privilege or a tax on land value.—A. C. P.

THE EXEMPTION OF BUILDINGS IN VANCOUVER

During the year 1915, an investigation of the effect of the partial and total exemption of improvements from taxation in Canadian cities and provinces was made by Professor Robert Murray Haig, of Columbia University, for a Special Committee on Taxation appointed by the Mayor of New York City in 1914. The Committee was appointed for the purpose of investigating new sources of revenue for the City of New York.

A voluminous report was prepared by Prof. Haig and published by the Committee. It contains the results of his investigation in Vancouver, Edmonton, Victoria, Winnipeg, Calgary and other Canadian cities, in which the principle of the total or partial exemption of improvements from taxation has been applied.

The report may be regarded as being on the whole unfavorable to the experiment, notwithstanding that the electorate in several of the cities mentioned subsequently endorsed the plan by returning to power by substantial majorities, public officials responsible for the legislation and by defeating a number of attempts to revert to the old plan of taxation.

The report, and in fact all of the literature relating to the scheme of taxation which embodies the partial or total exemption of buildings from taxation, makes constant reference to the "Single Tax System" as effected in this plan.

It is erroneous to refer to any plan of partial or total exemption as the "Single Tax System." It must be observed that the essential characteristic of the Single Tax is the complete absorption and appropriation of ground rent for public use. No serious attempt has ever been made to do this in any of the communities of which it is stated that the "Single Tax System" has been applied. In Vancouver, B. C., the case most frequently cited as an illustration of the application of the Single Tax, improvements are now entirely exempt from taxation; but the proportion of ground rent taken in taxation is approximately one-third less than that taken in the City of New York, under the general property tax.

The result of all attempts to relieve industry by exempting buildings and other improvements from taxation, and at the same time permitting the private appropriation of more than two thirds of the ground rent annually in Vancouver, was anticipated and clearly pointed out by Single Taxers years ago.

The experiment of exempting buildings and improvements from taxation, at the same time leaving the greater part of the annual ground rent for private appropriation, has invariably been accompanied by rapidly fluctuating periods of intense industrial activity and depression, and is indeed characteristic of all of the cities before mentioned.

The reason for this phenomena is quite obvious; the large proportion of economic rent left in the hands of the land owners is the basis upon which the capital value of the land is computed.

This invariably increases rapidly because of the greater demand for land

which arises when the burden of restrictive taxation is lifted from productive industry.

The land owners' effort to anticipate the future increase in value under the stimulus of the greater demand, brings about a period of land speculation. The price at which land may be obtained for use rapidly reaches the limit which labor and capital can afford to pay. When that limit is reached productive industry is halted and diminishes in intensity until the price of land for use falls to a point at which it may again be profitably used in production. In this way alternating periods of activity and depression continually recur.

It is true that other economic factors have in many instances modified or influenced the local conditions, but it is quite safe to say that under like conditions the same general results would invariably be obtained were it possible to eliminate all extraneous disturbing influences.

It has already been pointed out that the selling value of land is determined by capitalizing the proportion of ground rent left in the hands of the land owner after the sum taken in taxation is paid. It follows then that the greater this proportion is, the greater the fluctuation in the selling value of land will be, as economic rent rises or falls in response to the demand for land in production. This may be made clear by an illustration, first; where ten per cent of the ground rent is taken in taxation. Assume the annual fluctuation in gross economic rent to be \$500, that is to say, that capital and labor will in a given year be willing to pay \$500 more or \$500 less for the use of a particular piece of land in production, than was paid in the preceding year. Since ten per cent. of the ground rent is taken in taxation, the fluctuation in the net ground rent will be \$450. This will result in a change in the selling value of the land of approximately \$9,000 assuming the rate of interest to be five per cent. on the capitalized value of the increase or decrease of the net ground rent.

Second. If however ninety per cent. of the ground rent is absorbed in taxation, the fluctuation in the net ground rent in the preceding illustration would be only \$50 and that amount capitalized would result in a change of the selling value of the land of only \$1,000. If practically the entire ground rent was absorbed in taxation, the selling value of land would necessarily disappear and with it the periodic fluctuation in price and the resultant opportunity for land speculation.

The experience of the communities in which the result of the partial or total exemption of improvements from taxation has been investigated, while not indicative of the effect the application of the Single Tax in these communities would have, fully demonstrates the truth of the Single Taxers' contention that (a) removing the onerous tax burdens which restrict and retard industry, do result in increased industrial activity and a greater production of wealth; and (b) that the private appropriation of ground rent gives rise to land speculation and enables the land owner ultimately to appropriate to himself all of the advance which might flow from the increased production of wealth.—A. W.

WHY BUILDING CONSTRUCTION SLACKENED IN VANCOUVER

Opponents of the Single Tax have repeatedly advanced the argument that the exemption of improvements from taxation had nothing to do with the progress of northwestern Canada, especially Vancouver, and in support of their contention have quoted figures showing that in recent years the amount of building construction had fallen off (Cf. address of F. C. Wade at Eighth National Tax Conference, 1914).

This argument was answered by Mr. A. C. Pleydell in a discussion following Mr. Wade's address, as follows:

"The mere falling off from the tremendous increase of construction does not prove that the arguments made in favor of the exemption of improvements were fallacious. It is somewhat the situation of a man who makes such a small salary that he never had more than one suit of clothes at a time; then he gets a raise in salary and he gradually accumulates two or three suits and changes about occasionally. After he once gets a supply he does not accumulate new suits so rapidly, but he has a much better stock on hand, and that is precisely the situation in Vancouver. When the first partial exemption was begun in 1895 the per capita value of buildings was \$254, at the end of the fifty per cent. assessment period (1905) the per capita has risen to \$310, at the end of the twenty-five per cent. assessment period (1909) it had risen to \$370, and then came this boom, and in a few years, with the exemption of buildings they had reached by 1913 a per capita value of buildings of \$500 for this city of 114,000 population. Now I think that is about enough buildings to go around for a little time, for this reason, that in the city of New York, with five millions of people and all of its enormous industry the per capita valuation is only \$530. In Brooklyn with eighteen hundred thousand people; with a great deal of separate commercial interest, factories, department stores, etc., the per capita value now is only \$429. It is not to be expected that after having once gotten the supply of buildings in Vancouver up to something like the quantity that reasonable human beings ought to occupy, they are going to continue indefinitely to multiply buildings and create an excess."—Proceedings of Eighth National Tax Conference. 1914, p. 458.

	VANCOUVER			NEW YORK Per Capita Buildings	
	Population	Value Buildings	Per Capita	All Boroughs	Brooklyn
Full Value Assessment to 1895	17,000	\$4,317,000	\$254		
50 per cent to 1906 . . .	45,000	14,000,000	310	\$472	\$382
25 per cent to 1910 . . .	79,000	29,500,000	370	528	435
Exempt 1910 to 1913.	114,000	68,000,000	500	530	429

LAND MONOPOLY AND TAXATION IN CALIFORNIA¹

California, the largest State in the Union, excepting Texas, having a total of about 105,000,000 acres is one of the worst land-monopoly ridden states. Originally a Spanish possession, it was settled about 150 years ago by the Franciscan Missionaries who established missions at many points along the coast, under the protection of Spanish soldiers. The Indians were gathered about the mission establishments, and encouraged in industrial pursuits. The raising of cattle and horses was best adopted to their mode of life, and soon great herds, sometimes comprising over 100,000 head of stock, covered the many acres of fertile hills and valleys about the missions.

About the year 1830 the Mexican Government enacted statutes, dis-establishing the missions, and confiscating their lands and other properties. Great grants of lands were then made to private persons. During the period from 1830 to about 1845 practically all of the land available for the raising of stock and farming purposes was thus given away. After the Mexican war, the Treaty of Peace confirmed these grants, and made certain the possession of ranches comprising anywhere from 10,000 to 50,000 acres each. In many of the coast counties between San Francisco and the Mexican line the grants will exceed 700,000 acres. "Smart" Yankees and unscrupulous foreigners took advantage of the innocence and inexperience of the Mexicans, and soon gained from them nearly all of their land. To-day there are many big ranches held by such persons comprising all the way from 150,000 to 700,000 acres each.

There is assessed in California a total in excess of 46,000,000 acres of land. Under the law of this State the value of the land is assessed separately from improvements. The land, other than city and town lots, is assessed at \$671, 543,000 and the town lots at \$900,000,000, or a total of \$1,571,332,000. The total of all of the improvements assessed is \$600,000,000, of which \$474,000, 000 is on improvements within the cities and towns. The total assessment of money and solvent credits is \$30,000,000, and of all other personal property \$285,000,000. These figures cover all property in the State which is assessed by the cities and counties. The railroads and other public service corporations are assessed only for State purposes and the total of their assessment is \$454,000,000.

During the campaigns for our Home Rule in Taxation Constitutional Amendment in California; I visited more than 40 counties in the State, making studies of land ownership, assessment and taxation. Everywhere I found

¹See Land Monopoly in the United States, page 273.

land monopoly stifling progress, and preventing the development of both the city and the country. On the northern coast of California, from San Francisco to the Oregon line, is the only redwood timber belt in the world. The history of the dispossession of the government of this property is almost a continuous record of perjury and crime. Indictments of dummy timber locators and those who promoted the frauds fill the criminal records of this State. The report of Herbert Knox Smith, United States Corporation Commissioner, shows that seven persons own more than half of this redwood timber.

The northern and eastern counties, principally very mountainous, comprise vast areas of spruce, sugar-pine and other timber. Through its land grants and by other means, the Southern Pacific Railroad has acquired about 18% of the timber in the State, or nearly 900,000 acres. The Walker interest controls 17%. About ten holders possess nearly 80% of all the timber in California.

Siskiyou County, bordering on the Oregon line, has a total of 1,840,000 acres of land assessed, other than forest reserve and other government land. The Central Pacific Railroad Company is assessed for 664,830 acres, or more than 36% of all the land assessed in that county. By keeping this land entirely undeveloped, in its wild natural state, and preventing industrious farmers, lumber men, or cattle men from applying their labor to this land, and thus creating new wealth, this Railroad Company has kept down the value of its land so that the tax paid by it averages less than seven cents per acre. The same condition exists in almost every one of these mountain counties.

The Sacramento and San Joaquin Valleys comprise one great valley extending from Mt. Shasta on the north to the Tehachapi in Kern County on the south, a distance of about 500 miles and ranging from 5 to 80 miles wide. In the northern section in Colusa County the Stovall-Wilcoxson Company is assessed for 35,660 acres, largely rich valley land. Having slight improvements and only cattle upon it the tax averages but 22 cents per acre. In the San Joaquin section, Miller and Lux have in Madera, Merced and Fresno counties a total of 533,000 acres, extending for 60 miles from Newman to Mendota. This land is devoted entirely to cattle and sheep. It begins 108 miles from San Francisco. To the east of this land lies some of the most highly cultivated land in California from which is produced 95% of the raisins grown in the United States, and a large part of the dairy products of the State. Yet this Miller and Lux land, under the blight of land monopoly devoted to cattle and sheep, has only a few vaqueros and sheepherders living upon it, their employer admitting that the wages paid them will not permit married men to work there.

Kern County is dominated politically, socially, and economically by a few land interests, the manager of one being the political boss. The Kern County Land Company control 428,000 acres of land and pays but 16 cents per acre in taxes; the Southern Pacific has 650,000 acres, much of it valuable oil land, and pays but 5 cents per acre taxes; Miller and Lux have 147,000 acres and pay 18 cents per acre; General Otis and associates of Los Angeles, have 150,000 acres. These four interests control 45% of all the land in that county.

The farmer who improves his land, bringing it from the raw to a state of cultivation, plants alfalfa, sets out trees, brings cattle and other stock upon the land, builds a home for his family and furnishes it, has to pay all the way from 5 to 5,000 times as much per acre in taxes, because of his industry and enterprise, than do the land monopolists. Throughout the Sacramento Valley the taxes of the farmer will average from \$5 to \$10 per acre; in the San Joaquin Valley from \$10 to \$15. Over the Tehachipi, among the orange groves of Riverside County, I found the small farmers tax to average \$20. per acre, and many of them are paying \$30, \$40, and even \$50 per acre in taxes.—E. P. E. T.

OWNERSHIP OF HOMES, UNITED STATES, 1910

(FROM 13th CENSUS REPORT, VOL. 1, CH. XVI)

The homes for which no details were given by enumerators have been distributed as "unknown" in proportion to the known figures for owned and rented.

The term "home" as defined by the census is not synonymous with "dwelling." An apartment is a "home;" the entire building is a "dwelling."

The percentages are based on the homes definitely reported.

	FARM HOMES	Per- centage	OTHER HOMES	Per- centage	TOTAL HOMES	Per- centage
Owned free. . . .	2,575,430	42.5	3,408,854	25.7	5,984,284	30.8
Encumbered . . .	1,230,633	20.3	1,701,062	12.7	2,931,695	15.
Unknown.	32,268		135,464		167,732	
Total owned by occupier. . .	3,838,331	62.8	5,245,380	38.4	9,083,711	45.8
Rented homes. . .	2,271,231	37.2	8,426,664		10,697,895	
Unknown.	14,048		459,901		473,949	
Total homes	6,123,610		14,131,945	61.6	20,255,555	54.2

The mortgage indebtedness on the farms reported was \$1,726,172,851, being 27.3 of the value (\$6,330,236,951) of such farms.

The total value of all farm land and buildings was \$40,991,449,090.

WAGES IN THE UNITED STATES

In comparison with former years, the wages situation in the United States during the year 1916 offers at least three features worthy of special note:

(1) Stated in terms of food and rent the day's wage is less than it was in 1915. In *The Bulletin* for December, 1916, of the U. S. Bureau of Labor Statistics, it is shown that while "in many industries there has been a decided increase in the rate of wages," the cost of the staple necessities of life has increased more rapidly. The *New York Times* review of trade and commerce for 1916 computes the average increase in the price of twenty-five foods at 38.2%, the average weekly wage being shown to have increased 12.6%. While the figures given in *The Bulletin* above-mentioned do not show so wide a discrepancy, they bear out the general statement as to the decreased purchasing power of wages. Since 1890, food prices have nearly doubled.

It appears to be true that unemployment has been reduced, especially during the latter half of the year, so that it is probably the fact that for the family unit an increase of 12.6% in average rate often counts for much more than that in the family aggregate, by reason of the larger number of the family who have found employment. But, on the other hand, production has been forced in many branches of industry, bringing about conditions destructive to health. This is notably true in the steel and munitions industries; and these and the woolen industries are the only ones which show an increase in the rate of wages for 1916 over the rate for 1915 which is greater than the increase in the cost of foods. (See List of Ten Industries, Comparison of Employment, Oct. 1915, Oct. 1916. December *Bulletin*, above-mentioned). An investigation completed in January, 1917, by the Russell Sage Foundation, discloses the fact that 4,000 women are employed by a single factory, the Remington-Arms-Union Metallic Cartridge Co., in Bridgeport, Conn. "In the case of these women munition-workers of Bridgeport three serious issues have come up. In the first place, in order to satisfy the urgent need of speed and a large output from the factories, women have been induced to work long hours and at night. Second, they are put to work near or with explosives in ways which sometimes mean accident, industrial poisoning or other illness. In the third place, the high price of labor has been paralleled by an exceptionally high cost of living, and the increase in the number of laborers attracted by the high wages has caused a phenomenal rise in rents."

(2) The year has been marked by a notable increase in the number of strikes and lock-outs reported throughout the country. For a period of nine months covered by the December report of the U. S. Bureau of Labor Statistics, the number for 1915 is 1,025; for 1916, it is 2,890.

(3) A third fact to be noted for 1916, is the enormous distribution of profits by industrial concerns among their employees. While there have been occasional instances of the adoption of this policy in past years, nothing has approached the record of 1916. Some large distributions have been made through the pay-envelopes, in the way of increased wages; but it is significant that by far the favorite method has been the "bonus;" the reasons given being that "it is more elastic than the wage advance and that it carries no promise for the future."

The real problem of wages is not that wages may have increased—that they may still be on the increase, but whether such increase is proportionate to the increase in product due to improved methods of production. This is the only real question. Opponents of the Single Tax claim an increase in wages, but such increase on their own showing has been but slight, while the increase in productive power has been enormous.

Another test that may be applied is the ratio of wages to reasonable wants. Everything goes to prove that by this test wages have declined and are steadily declining. The prevailing political economy has nothing to offer but abstinence—abstinence which would still further reduce reasonable wants.

Let us note briefly a few facts from authoritative sources. According to the Report of the Committee on Industrial Relations between one-third and one-fourth of the male workers of the United States earn less than \$10 a week and from two-thirds to three-fourths less than \$15 a week. One-half of the women workers get less than \$6 a week.

The whole industrial population of Lawrence, Mass. of twenty-two thousand souls received an average for each worker of less than \$7 a week.¹ The average yearly wage of six and one-half million workers in the largest and most representative industries of the nation was only \$518.²

Some plausible figures for an ascending scale of wages in certain industries are dragged forth every now and then and paraded with much ostentation. But the whole question has been so well dealt with by H. J. Chase, of Providence, some years ago in the columns of the *Single Tax Review* that we can do no better than to quote his conclusions, as follows:

"Wages are a fraction whose numerator is the amount received by the laborers and the denominator the total amount produced. Where wages are paid in kind, the fraction may be written thus:

Am't rec'd by laborers

Total produce

Where wages are paid in money, the fraction may be written thus:

\$ rec'd by laborers

\$ total produce

¹Report of Commissioner of Labor.

²Federal Census, 1910.

If we had a series of such fractions for each year of the nineteenth century, the question of whether it was ascending or descending could be determined without any difficulty. But we have no such series. What purport to be tables of American wages are nothing but series of numerators. The denominators are missing. We have statements of the amounts received by the laborers in various occupations at different periods, but no mention of the amounts produced. Until this omission is supplied, the profoundest mathematician in the world cannot determine from these tables whether American wages rose, fell, fluctuated or moved upon a dead level during the nineteenth century.

Carroll D. Wright's tables of wages (so-called) are supplemented by tables of prices, but prices have nothing whatever to do with the question under consideration. In many directions the purchasing power of money may be greater now than it was a hundred years ago; but suppose it were greater in all directions, would not that fact apply as much to the dollars in the denominators of the fractions that stand for wages, as to the dollars in the numerators? Would a hundred-fold increase of the purchasing power of money affect the values of those fractions in the smallest degree?

In other words, the evidence appealed to by those who assert the upward tendency of American wages is utterly inconclusive, so utterly inconclusive that it is difficult to believe that all who have cited it have been unaware of the fact. The only exception to be made to this statement is in the case of Mr. Edward Atkinson. He has given statistics in which there is some reference to the amounts produced, as well as to the amounts received by the laborers. But in his case, his own figures, so far as they can be interpreted, flatly contradict his contention that "in all the productive arts to which science and invention have been applied by capital, the laborer is receiving a constantly increasing share of a constantly increasing product."

For example, in 1830 the per capita amount paid the operators in a mill making cotton sheetings averaged \$164 per annum; in 1897 it averaged \$320. But the annual output in 1830 was but 5,000 yards per capita, worth at the then maximum price, 9 cents, \$450; while the annual output in 1897 was 32,000 yards per capita, worth at the then maximum price, 5 cents, \$1,600.

In other words, in 1830 the operatives got at least $\frac{1}{3}\frac{2}{3}$, or a trifle over 36 per cent, of the total output; but in 1897 they got at most only $\frac{3}{10}$, or barely 20 per cent."

THE MINIMUM WAGE

Minimum wage laws fixing the lowest wages that an employer is permitted to pay, are in operation in New Zealand and Australia, and some of our States. There are many varieties of such laws. Thus, for example, Utah simply fixes a minimum wage which remains constant regardless of fluctuations in the labor market. Other commonwealths have adopted more reasonable provisions, by establishing boards that sit permanently or may be convened as required, to fix minimum wages for different industries and to readjust them.

The humanitarian impulse that inspires laws of this character is praiseworthy, but little can be said in their defense on economic lines. The wages of labor depend in the long run upon what remains out of total production after rent (and interest) has been deducted. One of the practical difficulties in fixing a minimum wage is to define what shall be a minimum production of labor to be exchanged for that wage.

And a serious effect of such legislation is to deprive workers handicapped by age or otherwise, of any employment at all. Obviously if an employer must pay a fixed amount he will seek for those best able to produce the most in return for such wages. This difficulty has been admitted by so eminent an authority as Mr. Lloyd George. In advocating a guarantee of minimum wage for farm laborers in order to increase production during the war, he announced (March, 1917) that such legislation would apply only to able-bodied men, saying that to make such a law apply to an old man or one inefficient or crippled is the greatest unkindness you can do him." This was a tacit admission that it is impossible to guarantee a rate of wages appreciably higher than free bargaining will produce, for the simple reason that while an employer may be prohibited from paying less than a certain amount, he cannot be compelled to employ men at a rate which he does not consider profitable.

If therefore, minimum wage legislation does bring about an appreciable increase in current wages, it will only do so at the expense of depriving the less efficient of any employment at all, and if the minimum is fixed so low that it does not have such an effect, then it is of no practical benefit to the wage earners.

THE WAGE FUND THEORY

The Wage Fund theory holds that wages depend on the relative amount of capital to number of laborers, and that wages cannot rise except by an increase of the aggregate fund employed in hiring laborers, or a diminution in the number of competitors for hire. Conversely, wages fall because of a diminution of the fund set aside for the payment of labor, or by an increase in the number of laborers.

This theory was designed to set at rest all complaints of the condition of labor and low wages. It was therefore popular for a long time. But even before Henry George it was subject to brilliant attacks by Lange, Thornton Walker, and by Marx himself. There is no more entertaining reading than the criticism of these four named on the Wage Fund theory. Thornton, attacked it, but nevertheless clung to the old theory and maintained that wages were drawn from capital.

The theory constantly reappears in modern economic teachings, as if it had never been disputed, never recanted by Mill, and never finally relegated to the junk heap of exploded theories.¹

¹For a complete refutation of the Wage Fund theory and a demonstration of the true law of wages, see *Progress and Poverty*, pages 17 to 78.

POVERTY AND DISEASE

The Manly Report on Industrial Relations shows that the death rate of children whose fathers earn less than \$10 a week is 256 per thousand while those whose fathers earn \$25 or more per week die at the rate of only 84 per thousand. Thus the poor die at three times the rate of the fairly well-to-do.

That poverty is the cause of many diseases has long been recognized. Of tuberculosis it is claimed by high authority (see Report of Public Health Service on Tuberculosis in American Cities,) that "the great factor underlying the entire problem is seemingly that of economic conditions." In the tenement districts of Cincinnati the tuberculosis death rate was found to be three times as great as in the better sections. A similar situation was discovered in Pittsburg.

Col. Wm. C. Gorgas, Surgeon-General U. S. A., has recounted the result of his observations in Panama showing the connection between improvement in wage conditions and the health of the people. He says:

"At Panama shortly after our arrival we increased the wages of the common laborers from eleven cents an hour to twenty cents an hour. This was nearly four times the wages of the laborer in the surrounding countries. The laborer knew that every fourth man would die each year of diseases prevalent on the Isthmus and it took strong inducements to get him to come at all.

This large increase in wages caused a great general improvement in all living conditions,—more room to live in, better food, and better clothing. I am satisfied that to this improvement in social conditions, caused by our high wages, we principally owe our extraordinary improvement in general health conditions. It is a health officer's duty to urge forward in his community those measures which will control individual diseases, but my long experience has taught me that it is still more his duty to take that broader view of life which goes to the root of bad hygiene, and do what he can to elevate the general social conditions of his community. This, my experience has taught me, can best be accomplished by increasing wages."

POVERTY AND CRIME

That poverty breeds crime statistics abundantly testify. Much the larger proportion of girls and boys in reformatories and houses of refuge come from homes of poverty. In the New York Reformatory School for Girls not one came from a home where the father earned more than a thousand dollars a year. The Senate Vice-Committee of the Illinois legislature after investigation said, "That poverty is the principal cause, direct and indirect, of prostitution." This same committee were unable to learn of a single prostitute in Illinois who had come from a home of even modest prosperity.

¹Public Health Bulletin 73, Washington, D. C.

It is sometimes urged that drink is the cause of crime, but while some crimes may be traced to this cause it is obviously not logical to infer that because most criminals drink that such indulgence makes them criminals. Eighty per cent. of the male population of New York State drink. Less than one per cent of this number are criminals. It seems absolutely certain that serious crimes have but little or no relation to the use of alcohol—such crimes as murder, burglary, arson, grand larceny, forgery, bigamy, etc.

A writer in the *Forum* for August, 1916, thus sums up the argument: "In recent years the concensus of opinion among criminologists is that the chief cause of crime is not drink but poverty."

In a pamphlet printed by the Publicity Bureau of the Joseph Fels Fund of America and entitled *Institutional Causes of Crime*, the author, Louis F. Post, now Assistant Secretary of Labor, says:

"In the monopoly of the planet therefore, we may find the underlying and all inclusive institutional cause of crime.

Not that there are no other institutional causes. There may be many. Not that there are no hereditary, educational, or other personal causes. There are many. But in a generalization of causes, this one either comprehends most of the others, or would do duty for them all if the other social causes were abolished and all the personal causes were cured."

COST OF LIVING

The most notable advance in prices (as pointed out by Prof. Scott Nearing) has been in minerals (tin, lead and zinc) and in timber and farm products. Prof. Nearing shows that the rise in prices in the last few years is much greater with commodities directly dependent on land for their production.

The Professor then turns his attention to what he calls a "striking circumstance" and seeks the cause. He finds it impossible to determine whether mineral lands have risen greatly in price, since figures for such increase are lacking. As to timber lands he finds from the Federal Bureau of Corporations that "the increase has been nothing less than enormous." The values of timber lands in the great lumber regions have increased from 300 to 1,000 per cent. in ten years. Wheat and flour, eggs and butter, meat and cheese have led the procession of a rise in prices. In this case, too, Prof. Nearing finds a corresponding increase in land values.

Farm lands in this period (1900 to 1910) have increased 108 per cent, the middle Atlantic states 19 per cent, the mountain states 13 per cent. This increase is, by some, accounted for by reason of the increased cost of farming, and sometimes attributed to the increased productivity of the land, but Professor Nearing says that an appeal to the facts shows that the value of Western land has increased out of all proportion to the increased productivity.

The relation of high cost of living to high land values is a close one, though it may not be always easy to trace it. But speculative rent is a tax on production. By encouraging the holding of land out of use, production is lowered relatively to effective demand for commodities, and this scarcity is reflected in high prices.

SOME EARLY LEADERS OF THE MOVEMENT

Some slight biographical details of those prominently mentioned in the early and historical part of this work may be thought desirable here. These must include only the outstanding figures, since even the briefest mention of the many who have served the cause as writers, orators, or politicians would take too much space, and are, at all events, part of the history of the movement. The Life of Henry George has been told by his son, the late Henry George, Jr., in one of the notable biographies of literature; Hon. Tom. L. Johnson's autobiography has appeared in "*My Story*" and the *Life of Joseph Fels*, by his widow, Mary Fels, tells the story of a life that is full of inspiration to those who would do something for humanity and know the way to do it. Next to Henry George as one of the "fathers" of the movement is

DR. EDWARD MCGLYNN

Born in 1837 in Third street near Second Avenue in New York City. He was of pure Irish origin, his father and mother coming to New York from Donegal in 1824. Archbishop Hughes was a friend of the family and was early attracted by the bright mind of the boy. When Edward was fourteen the Archbishop sent him to the College of the Propaganda in Rome to study for the priesthood. He was ordained at twenty-two, receiving the degree of Doctor of Divinity. He was chaplain in the U. S. Army 1862-5.

For twenty-two years he was pastor of St. Stephens in New York City. The first clash with his ecclesiastical superiors came over the school question. Father McGlynn maintained that secular education was the business of the State, not of the church.

Dr. McGlynn was a member of the Irish Land League, and when Henry George promulgated his land doctrine McGlynn became one of its first converts. On Sept. 29, 1886, Archbishop Corrigan expressly forbade Dr. McGlynn taking part in a George meeting advertised for the following Friday evening.¹ Dr. McGlynn announced that he would address the meeting notwithstanding the prohibition, but that he would refrain from attending other meetings during the campaign. The meeting at Chickering Hall was filled to overflowing, and Dr. McGlynn pronounced an eloquent eulogy of Henry George, then candidate for mayor. He was suspended for this act of disobedience. He gave many interviews to the press reiterating his views on the land question, and insisting that on matters relating to his duties as a citizen he was free to act, and that only on churchly matters did he owe obedience to his superiors. He was ordered to go to Rome, and he answered through Dr. Burtzell, at that time one of the greatest canonical authorities of the church, that he would go as soon as

¹See page 9.

his health permitted, provided that he was first reinstated in his parish and an authoritative public statement made that his land doctrines had not been condemned. On June 10, 1887, came the order from the Pope excommunicating him. From that time he lectured before the Anti-Poverty Society and before many an enthusiastic meeting of his parishoners who stood loyally by him. His case having been re-opened, Dr. McGlynn visited Rome and had an interview with the Holy Father. This was followed by his re-instatement in 1892 to full honors in the priesthood. He died as pastor of St. Mary's church, in Newburgh, N. Y., January 7, 1900.

His re-instatement was a full vindication of his stand for the independence of the priesthood in economic and civic matters. He died as he had lived, a loyal son of the church, true to his priestly vows and undeviating in his faith in the canon. By his unconditional re-instatement¹ the ruling powers of the of the church tacitly condoned his venial act of disobedience and left the priesthood free to reject or accept the doctrine of human rights as taught in *Progress and Poverty* and echoed by Bishop Nulty, of Meath, Ireland, in his famous pastoral letter to his diocese.

WILLIAM T. CROASDALE

Mr. Croasdale was a Delawarean by birth and a Quaker by inheritance. He founded, at the age of thirty, in the early seventies a newspaper in Wilmington called *Every Evening*. Later he became editor and titular owner of the *Baltimore Day*. In 1885 he went to New York and became editor-in-chief of the *Star*. Later he joined Mr. George in the editorship of the *Standard*, in the service of which he died at the age of forty-eight. In 1890 he was nominated as democratic representative to Congress from the Seventh District of New York—the first Single Taxer to be nominated for Congress in the East. He threw himself into the campaign with his usual energy, hopeless though it was from the start. "A strong man and well-equipped," said the *New York World*. "He would be an able and influential advocate of tariff reform in the next Congress," said the *New York Times*.

It was a three cornered fight. Mr. Croasdale had been placed in nomination by the County Democracy, Edward T. Dunphy was the Tammany nominee and William Morgan the Republican.

His nomination was a direct challenge to the organization. He had reason to be proud of the support he received. Many of those who appeared publicly in advocacy of his election were the saving remnant of New York's democracy. Many were famous at the time; many have since won distinction. Here are some of the names: Thos. G. Shearman, Chas. W. Dayton, afterwards N. Y. City Postmaster and Supreme Court Judge, W. B. Hornblower, A. Augustus Healy, Hjalmar Hjorth Boyesen, Everett P. Wheeler, Calvin Tomkins, Walter Page, E. Elery Anderson, Cyrus Sulzberger, Henry De Forest Baldwin, Lindley Vinton, Gilbert D. Lamb, Walter S. Logan, and Hon. John De Witt

¹See the *Single Tax* and the Catholic Church.

Warner, the latter at the same time Tammany and County Democracy candidate for Congress in another district.

Among those who manned the trucks, speaking night after night, were A. J. Wolf, E. M. Klein, James MacGregor, W. B. Estell, Louis F. Post, Gustave W. Thompson, William McCabe, Alfred Bishop Mason, W. E. Hicks, James E. Gilligan, Joseph Dana Miller, and many others. Henry George spoke at many of these meetings.

It was the general opinion among the better informed that Dunphy was an absolutely useless Congressman. But in spite of this, and because the candidacy of William T. Croasdale was overshadowed by the municipal campaign, because the County Democracy was weak, and owing also to the fact that Mr. Croasdale's vote came largely from pastors, the election resulted in a triumphant victory for Mr. Dunphy. Despite the fact that it was the only Congressional fight in the city that aroused any interest, Mr. Croasdale's vote was insignificant by comparison with his two opponents. The official figures were these:

William T. Croasdale (County Democracy).....	2,713
William Morgan (Republican).....	4,701
Edward T. Dunphy (Tammany).....	11,633

But it was one of the astonishing results of this election that fully two-thirds of Mr. Croasdale's vote was made up of Republican and Tammany Hall ballots, the County Democracy appearing to have had hardly any vote at all in the 7th Congressional District. So the vote though small was significant, since these two-thirds, or nearly 2,000 voters, had either to place Mr. Croasdale's individual pasteur or write his name on the ballot.

In this Congressional campaign John DeWitt Warner, also a Single Taxer, was elected a member of Congress from the Eleventh District by a majority of over 7,000 in a total vote of 25,000, the two Democratic organizations being united in that district.

THOMAS G. SHEARMAN

Author of *Natural Taxation*, was born in Birmingham, England in 1834. If we except the tuition he received from a gifted mother he was self-educated, for at thirteen his school days ended. He was endowed with extraordinary powers of analysis, great intellectual ability, and a prodigious memory. These helped to make him the foremost exponent of free trade in this country, and he could overwhelm the defenders of protection by the use he was able to make of their own figures and statistics.

Mr. Shearman was by profession a lawyer and figured as counsel in many a *cause celebre*, among them being the trial of Henry Ward Beecher. His appearance as counsel in this case was not due solely to his professional interest, but to his friendship for and belief in the innocence of the accused Brooklyn pastor.

His *Natural Taxation* is his chief work. It is a powerful plea for the adoption of the Single Tax and a searching arraignment of current modes of taxation. Mr. Shearman had come to the Single Tax by a different course of reasoning than that which had guided Mr. George to the same conclusion. The latter saw in it a mode of industrial and social emancipation and laid his chief emphasis on that phase of the great controversy. It must not be assumed, however, that the famous lawyer who espoused the cause of "the prophet of San Francisco" was himself neglectful of its social consequences. Though he represented what has come to be known as the "Single Tax Limited" that distinction for all practical purposes is scarcely important at this time. The special treatment which Mr. Shearman accorded the subject was indicative rather of a difference of intellectual temperament than any real difference of opinion. In our own day, Mr. C. B. Fillebrown, of Boston, in his *A. B. C. of Taxation* and *Principles of Natural Taxation*, together with a great variety of useful pamphlets, has been the special and able protagonist of that side of the propaganda for the Single Tax of which Mr. Shearman was the untiring apostle.

The author of *Natural Taxation* died in 1900. So formidable is this side of Single Tax teachings, and so thorough and powerful is the argument that, like *Progress and Poverty* which carries the inquiry into broader fields, the conclusions of the work have never been successfully assailed.

WILLIAM LLOYD GARRISON

The son of the great abolitionist, was an early disciple of Henry George. He was born in 1838 and spent nearly all his life in Boston. He was educated in the Brimmer and Quincy schools, and after leaving high school at the age of eighteen he entered the banking business at Lynn. He was later cashier of a bank at Dorchester, but in 1864 forsook banking for the woollen business. Later he was a dealer in commercial bonds and paper, and in 1900 he retired from business.

Mr. Garrison was active in many movements. The *Evening Post* of this city, in an appreciative notice, said of him, that "He never set his hand to a bad cause and never turned his back upon a good one." It was inevitable that the movement begun by Henry George would ultimately secure his splendid apostleship. The tale of that conversion is interesting. It must not be thought that Garrison was without his misgivings even when he had finally dispelled the notion that Mr. George was a sort of unnatural demagogue prepared to apply the incendiary torch to the very pillars of the house. For there was about Garrison, despite his anti-slavery connections, something of the Brahmin caste of New England. But so quickly responsive were his moral sympathies that he was drawn to George as steel travels toward the magnet even while he was yet under the then popular hallucination as to the dangerous character of the man and his teachings. Garrison's difficulties were ethical, and in an illuminating correspondence, in which is shown these two

great souls, one grandly confident of the moral strength of his position, the other pressing his inquiry with a single passionate purpose, and that the securing of the vital truth, these difficulties were finally resolved. Garrison soon hastened to announce himself a disciple of the cause to which the anti-slavery fight, which had engaged the energy of his father, necessary though that was as a prelude, was but as the capture of a redoubt to the siege of Christendom.

Mr. Garrison died in 1909.

TOM L. JOHNSON

Elected three times mayor of Cleveland, and known as the best mayor of the best governed city in the United States, "Tom" Johnson, as he was christened and long familiarly known, was for many years one of the foremost Single Taxers in the United States.

He was born in the South and reared in the luxurious home of his father, a cotton planter. At the close of the Civil War he found himself the penniless child of an impoverished Confederate officer. His father had served on the staff of General John C. Breckenridge. Tom secured work in a rolling mill in Louisville. At fifteen he entered the office of a street railroad in that city where his promotion was rapid. He became secretary of the company.

From Louisville he went to Indianapolis, and in 1880 bought a small street car line in Cleveland. A design for a fare box and other inventions gave him his first start. In Cleveland he fought Mark A. Hanna, at that time a great figure in the railroad world. From Cleveland he went to Brooklyn, and with his brother Albert succeeded in gaining control of the Nassau road as it was known at that time.

It was in the middle eighties when Mr. Johnson bought a copy of *Social Problems*. He followed its reading with *Progress and Poverty*. A new world opened to him. He challenged his lawyer, the late L. A. Russell and his partner, Arthur J. Moxham, to point out a flaw in the reasoning. Unable to comply they objected to the premises, but Johnson convinced them that the premises were sound.

Mr. Johnson took the first opportunity to meet Henry George, and a warm friendship sprang up between them which lasted till Mr. George's death in 1897.

Mr. Johnson served as a member of Congress where his voice was raised for free trade and the Single Tax and where he voted for the first straight Single Tax measure acted upon in a legislative body. At this time there were other Single Taxers in Congress, Jerry Simpson, of Kansas, Judge Maguire, of California, and John DeWitt Warner, of New York. The Single Tax measure received the vote of these members, together with that of Mr. Harter, of Ohio, and Mr. Tracy, of New York.

In 1901 Mr. Johnson was elected mayor of Cleveland and twice re-elected. His administration attracted nation-wide attention, as did Mayor Pingree's administration in Detroit, and Mayor Brand Whitlock's in Toledo. It is an

interesting circumstance that all these three great city administrators believed in Sing'e Tax. He died April 10. 1911. For details regarding Mayor Johnson's career see his autobiography, *My Story*.

MAX HIRSCH

The father of the Single Tax movement in Victoria was Max Hirsch, whose *Democracy versus Socialism* is one of the best known, as it is certainly one of the most powerful and searching, examinations of socialism from the standpoint of the Single Taxer. He was a remarkably lucid writer and speaker. The Single Tax League of Victoria published a volume of his writings and speeches in 1912.

Mr. Hirsch was born in Cologne, Germany, in 1852, and was educated in the Gymnasium of that city and at the University of Berlin. His father was a writer on economics and won European fame. The son studied the manufacture of tapestry and went to Paris and later to London. He came to Melbourne in 1879.

He was elected to the Victorian House of Assembly. At the time of the Federation he resigned his seat to contest the election in a hopelessly protectionist constituency and was defeated by less than 200 votes. He died at Vladivostock on March 4, 1909.

JOSEPH FELS

When the Single Tax movement had fallen into a period of inactivity, and little public interest seemed to be manifested, there came to its assistance a manufacturer of Philadelphia. He was a man of keen business intelligence, who had acquired a large fortune in the manufacture of soap and operations in real estate. He was possessed of a passionate desire for social justice, which found its first expression in schemes of philanthropy and vacant lot cultivation by the poor of London and New York. When he became a convert to the Single Tax philosophy he gave his life to its service and used his means to open the way for others to do likewise. He talked and wrote, and provided the means for others to talk and write. With a burning sense of the injustice of the present social system he did not spare himself for the cause he loved and died with his fires burnt out on February 22, 1914.

This was said of him by *Land Values*, organ of the British Single Tax movement, published in London:

"If he had any ambition for a place in the movement, it was to be known and appreciated as a worker and not as a generous subscriber to its funds. His efforts were by no means confined to Great Britain or to his native country, the United States. He reached to co-workers in Germany, Denmark, Hungary, Sweden, France, Spain, China, and his donations were the means of awakening new thoughts and activities in Australia and New Zealand. His correspondence was voluminous. It came from all parts of the globe wherever anything was being done; wherever a Single Taxer could be found ready to do anything to promote the policy, or one who could suggest any action to be taken, he seemed to get into communication with him. He was a man with

a faith that knew no geographical boundaries, nor frontier lines. He would set out cheerfully to some conference to be held on some phase of the social problem in some foreign land, with the deliberate intention of finding some one to voice his views, as readily as he would go to speak at a meeting at his own door. Whatever company he found himself in, he fearlessly proclaimed himself as an unfettered disciple of Henry George. This was his religion, and he lived up to it. He loved his fellowmen in whatever walk of life he found them. He gave much from his store of worldly goods to spread the light on his cure for social problems, and along with his devoted wife he generously helped many other causes as well. His coming into the land values taxation movement marked a new era in its activities. It was the signal for strenuous effort by voice and pen. The opposing forces of every kind had to reckon with a volume of sentiment for which they were ill prepared, and when he passed beyond our ken our more far-seeing opponents had to admit that he was the direct means of advancing our ideas quite beyond their power to gauge or control. What Joseph Fels achieved for the cause he lived and died for, constitutes a striking and all-enduring tribute to his memory."

HENRY GEORGE, JR.

Henry George, Jr. was born in Sacramento, California, in 1862. He was the eldest of four children of the "Prophet of San Francisco," Jennie, Richard and Anna. The last named, now Mrs. De Mille, is the only surviving member of the family.

The son had but little schooling and was put to work at the age of sixteen as a type setter, and he helped to set type on *Progress and Poverty*. Later he became reporter on the *Brooklyn Eagle*.

His nomination for the mayoralty of New York City on the death of his father in 1897 is told elsewhere.¹ In 1910 he was a successful candidate for Congress from a strongly Republican district in New York City and was re-elected in 1912 by an increased majority. In both campaigns he was the regular democratic nominee. His work in Congress was notable. He was on the Public Lands and District of Columbia committees, and as a member of the first named secured the restoration of lands stolen from the Indians of Montana and North Dakota, and on the second obtained some mitigation of the inequalities in taxation in the District of Columbia.

Prior to his career in Congress he had lectured and traveled extensively in England, Russia, Japan and other countries. His letters as special correspondent to papers he represented showed distinctive capacity as a reporter and observer of men and things in countries he visited.

Some of his literary work was of a high character. His *Life of Henry George* deserves to rank with the few great biographies, *Plutarch's Lives*, *Boswell's Johnson* and others. His *Menace of Privilege* is another work of real importance and distinctive literary quality. His one novel, *The Romance of John Bainbridge*, was less successful.

For two years preceding his death he was a great sufferer, but preserved his indomitable will and cheerful spirit. On November 14, 1916, he died at the age of fifty-four.

¹See page 18.

THE SINGLE TAX AND THE CATHOLIC CHURCH

The following is the Doctrinal Statement presented by Dr. McGlynn in 1892 to the Apostolic Delegate, Monsignor Satolli. By his direction it was examined by four professors of the Catholic University at Washington, and declared to contain nothing contrary to Catholic teaching. These four doctors of divinity were Rev. Thos. Bouquillon, D. D., (Dean of the Theological Faculty) Thos. O'Gorman, D. D. (now Bishop of Sioux Falls, S. D.), Chas. P. Grannan, D. D. and Edward A. Pace, D. D.

"All men are endowed by the law of nature with the right to life and to the pursuit of happiness, and therefore with the right to exert their energies upon those natural bounties without which labor or life is impossible.

God has granted those natural bounties, that is to say, the earth, to mankind in general, so that no part of it has been assigned to any one in particular, and so that the limits of private possession have been left to be fixed by man's own industry and the laws of individual peoples.

But it is a necessary part of the liberty and dignity of man that man should own himself, always, of course, with perfect subjection to the moral law. Therefore, beside the common right to natural bounties, there must be by the law of nature private property and dominion in the fruits of industry or in what is produced by labor out of those natural bounties to which the individual may have legitimate access, that is, so far as he does not infringe the equal rights of others or the common rights.

It is a chief function of civil government to maintain equally sacred these two natural rights.

It is lawful and it is for the best interests of the individual and of the community and necessary for civilization that there should be a division as to the use and an undisturbed, permanent, exclusive private possession of portions of the natural bounties, or of the land; in fact, such exclusive possession is necessary to the ownership, use and enjoyment by the individual of the fruits and products of his industry.

But the organized community, through civil government, must always maintain the dominion over those natural bounties, as distinct from the products of private industry and from that private possession of the land which is necessary for their enjoyment. The maintenance of this dominion over the natural bounties is a primary function and duty of the organized community, in order to maintain the equal right of all men to labor for their living and for the pursuit of happiness, and therefore their equal right of access directly or indirectly to natural bounties. The assertion of this dominion by civil government is especially necessary, because, with the very beginning of civil government and with the growth of civilization, there comes to the natural bounties, or the land, a peculiar and an increasing value distinct from and irrespective of the products of private industry existing therein. This value is not produced by the industry of the private possessor or proprietor, but is produced by the existence of the community and grows with the growth and civilization of

the community. It is, therefore, called the unearned increment. It is this unearned increment that in cities gives to lands without any improvements so great a value. This value represents and measures the advantages and opportunities produced by the community, and men, when not permitted to acquire the absolute dominion over such lands, will willingly pay the value of this unearned increment in the form of rents, just as men, when not permitted to own other men, will willingly pay wages for desired services.

No sooner does the organized community, or State, arise, than it needs revenues. This need for revenues is small at first while population is sparse, industry rude and the functions of the State few and simple, but with growth of population and advance of civilization the functions of the State increase and larger and larger revenues are needed. God is the author of society, and has pre-ordained civilization. The increasing need for public revenues with social advance being a natural God-ordained need, there must be a right way of raising them—some way that we can truly say is the way intended by God. It is clear that this right way of raising public revenues must accord with the moral law or the law of justice. It must not conflict with individual rights, it must find its means in common right and common duties. By a beautiful providence, that may be truly called Divine, since it is founded upon the nature of things and the nature of man, of which God is the creator, a fund, constantly increasing with the capacities and needs of society, is produced by the very growth of society itself, namely, the rental value of the natural bounties of which society retains dominion. The justice and the duty of appropriating this fund to public uses is apparent, in that it takes nothing from the private property of individuals, except what they will pay willingly as an equivalent for a value produced by the community, and which they are permitted to enjoy. The fund thus created is clearly by the law of justice a public fund, not merely because the value is a growth that comes to the natural bounties which God gave to the community in the beginning, but also, and much more, because it is a value produced by the community itself, so that this rental belongs to the community by that best of titles, namely, producing, making or creating.

To permit any portion of this public property to go into private pockets, without a perfect equivalent being paid into the public treasury, would be an injustice to the community. Therefore, the whole rental fund should be appropriated to common or public uses.

This rental tax will make compulsory the adequate utilization of natural bounties exactly in proportion to the growth of the community and of civilization, and will thus compel the possessors to employ labor, the demand for which will enable the laborer to obtain perfectly just wages. The rental tax fund growing by a natural law proportionately with the growth of civilization will thus be sufficient for public needs and capacities, and therefore all taxes upon industry and upon the products of industry may and should be abolished. While the tax on land values promotes industry, and therefore increases private wealth, taxes upon industry act like a fine or a punishment inflicted upon industry; they impede and restrain and finally strangle it.

In the desired condition of things land would be left in the private possession of individuals, with full liberty on their part to give, sell or bequeath it, while the State would levy on it for public uses a tax that should equal the annual value of the land itself, irrespective of the use made of it or the improvements on it.

The only utility of private ownership and dominion of land, as distinguished from possession, is the evil utility of giving to the owners the power to reap where they have not sown, to take the products of the labor of others without giving them an equivalent—the power to impoverish and practically to reduce to a species of slavery the masses of men, who are compelled to pay

to private owners the greater part of what they produce for permission to live and to labor in this world, when they would work upon the natural bounties for their own account, and the power, when men work for wages, to compel them to compete against one another for the opportunity to labor, and to compel them to consent to labor for the lowest possible wages—wages that are by no means the equivalent of the new value created by the work of the laborer, but are barely sufficient to maintain the laborer in a miserable existence, and even the power to deny to the laborer the opportunity to labor at all. This an injustice against the equal right of all men to life and to the pursuit of happiness, a right based upon the brotherhood of man which is derived from the fatherhood of God. This is the injustice that we would abolish in order to abolish involuntary poverty.

That the appropriation of the rental value of land to public uses in the form of a tax would abolish the injustice which has just been described, and thus abolish involuntary poverty, is clear; since in such case no one would hold lands except for use and the masses of men having free access to unoccupied lands would be able to exert their labor directly upon natural bounties and to enjoy the full fruits and products of their labors, beginning to pay a portion of the fruits of their industry to the public treasury only when, with the growth of the community and the extension to them of the benefits of civilization, there would come to their lands a rental value distinct from the value of the products of their industry, which value they would willingly pay as the exact equivalent of the new advantages coming to them from the community; and again in such case men would not be compelled to work for employers for wages less than absolutely just wages, namely, the equivalent of the new value created by their labor; since men surely would not consent to work for unjust wages when they could obtain perfectly just wages by working for themselves; and, finally, since when what belongs to the community shall have been given to the community, the only valuable things that men shall own as private property will be those things that have been produced by private industry, the boundless desires and capacities of civilized human nature for good things will always create a demand for these good things, namely, the products of labor—a demand always greater than the supply, and therefore for the labor that produces these good things there will always be a demand greater than the supply, and the laborer will be able to command perfectly just wages—which are a perfect equivalent in the product of some other person's labor for the new value which his own labor produces."

FARM LAND MONOPOLY

In 1910, there were in this country 878,798,325 acres in farm lands divided as follows:

In farms under 20 acres,.....	8,793,820 acres—	1%
In farms of 20 to 49 acres,.....	45,378,499 acres—	5.2%
In farms of 50 to 99 acres,.....	103,120,868 acres—	11.7%
In farms of 100 to 174 acres,.....	205,480,585 acres—	23.4%
In farms of 175 to 499 acres,.....	265,289,069 acres—	30.2%
In farms of 500 to 999 acres,.....	83,653,487 acres—	9.5%
In farms of 1,000 acres or over,.....	167,082,047 acres—	19.0%

TOLSTOY ON THE RUSSIAN REVOLUTION AND HENRY GEORGE

Since most of the contents of this volume were written there has occurred, almost in the twinkling of an eye, a momentous change in the political destinies of a nation of nearly two hundred million people held for many generations in subjection to vast autocratic power. The very name Russia had become synonymous in the minds of men with a more than medieval darkness; it conjured up the hideous spectacles of the degradation of the purest and best of a wonderful people, her singers, poets, dreamers—all whose passionate aspiration made the glory of her literature. To speak of Russia was to think of dungeon and knout, of pogroms, of Kieff and Kischneff, of the Black Hundred, and then finally of an almost imbecile monarch, himself the tool of abler men who guided the destinies of this wonderful country and had builded this great political edifice out of the blackness and cruelty of their souls. And then while we watched, not seeing it all, this great Samson of a people put their shoulder to the pillars and the whole political structure lay in ruins!

Well had Henry George prophesied in this remarkable passage in *Progress and Poverty*: "Today Russian prisons are full, and in long processions, men and women, who, but for high-minded patriotism, might have lived in ease and luxury, move in chains toward the death-in-life of Siberia. And in penury and want, in neglect and contempt, destitute even of the sympathy that would have been so sweet, how many in every country have closed their eyes? This we see.

"But do we see it all?"

"In writing I have picked up a newspaper. In it is a short account, evidently translated from a semi-official report, of the execution of three Nihilists at Kieff—the Prussian subject Brandtner, the unknown man calling himself Antanoff, and the nobleman Ossinsky. At the foot of the gallows they were permitted to kiss one another. 'Then the hangman cut the rope, the surgeon pronounced the victims dead, the bodies were buried at the foot of the scaffold, and the Nihilists were given up to eternal oblivion.' Thus says the account. I do not believe it. No; not to oblivion!"

This Russia was the home of Tolstoy, a prophet like George who saw the truth George saw, who hailed with delight the economic vision and the practical teachings of the great American whose writings had so impressed him.

In this connection the following from Herman Bernstein writing from St. Petersburg (Petrograd) in the *New York Times* of July 20, 1908, is of special interest at this time:

"At about 9.30 o'clock in the morning I found myself at the door of the little white house where lives and works the most remarkable man in the world today—Leo Tolstoy. I was met by Nicholas Gusev, Tolstoy's secretary, an amiable young gentleman, who took me into his room.

"Presently he entered. . . .

"He asked me about my impressions of Russia, and particularly about the popularity of Henry George's works in America. 'Nearly 50 years ago,' he went on slowly, 'the great question that occupied all minds in Russia was the emancipation of the serfs. The burning question now is the ownership of land. The peasants never recognized the private ownership of land. They say that the land belongs to God. I am afraid that people will regard what I say as stupid, but I must say it: The leaders of the revolutionary movement, as well as the Government officials, are not doing the only thing that would pacify the people at once. And the only thing that would pacify the people now is the introduction of the system of Henry George.

"As I have pointed out in my introductory note to the Russian version of 'Social Problems,' Henry George's great idea, outlined so clearly and so thoroughly more than 30 years ago, remains to this day entirely unknown to the great majority of the people. This is quite natural. Henry George's idea, which changes the entire system in the life of nations in favor of the oppressed, voiceless majority, and to the detriment of the ruling minority, is so undeniably convincing, and, above all, so simple, that it is impossible not to understand it, and understanding it, it is impossible not to make an effort to introduce it into practice, and therefore the only means against this idea is to pervert it and to pass it in silence. And this has been true of the Henry George theory for more than 30 years. It has been both perverted and passed in silence, so that it has become difficult to induce people to read his work attentively and to think about it. Society does with ideas that disturb its peace—and Henry George is one of these—exactly what the bee does with the worms which it considers dangerous but which it is powerless to destroy. It covers their nests with wax, so that the worms, even though not destroyed, cannot multiply and do more harm. Just so the European nations act with regard to ideas that are dangerous to their order of things, or, rather, to the disorder to which they have grown accustomed. Among these are also the ideas of Henry George. 'But light shines even in the darkness, and the darkness cannot cover it.' A truthful, fruitful idea cannot be destroyed. However you may try to smother it, it will still live; it will be more alive than all the vague, empty, pedantic ideas and words with which people are trying to smother it, and sooner or later the truth will burn through the veil that is covering it and it will shine forth before the whole world. Thus it will be also with Henry George's idea.

"And it seems to me that just now is the proper time to introduce this idea—now, and in Russia. This is just the proper time for it, because in Russia a revolution is going on, the serious basis of which is the rejection by the whole people, by the real people, of the ownership of land. In Russia, where nine-tenths of the population are tillers of the soil and where this theory is merely a conscious expression of that which has always been regarded as right by the entire Russian people—in Russia, I say, especially during this period of reconstruction of social conditions, this idea should now find its application, and thus the revolution, so wrongly and criminally directed, would be crowned by a great act of righteousness. This is my answer to your question about the future of Russia. Unless this idea is introduced into the life of our people, Russia's future can never be bright.'"

PROPERTY IN LAND AND THE FUNDAMENTAL LAW

[The following admirable summary of the legal aspects of the Single Tax was prepared by Judge James G. Maguire, of California, some years ago for the *Standard*.]

Private property in land is one form of social injustice which finds no protection in the doctrine of vested rights; but it is the settled and unquestionable law of our land that each state in the Union has a reserved right to take, at any time, the entire rental value of land by taxation for public uses. This reserved right, like every other legal rule affecting real property, has been incorporated, by operation of law, in every deed which the government or any private individual has ever given to any land lying within the United States. All private lands in our country are held subject to that reserved right, for the reservation of the right has always existed as matter of law; every man is presumed to know the law and to contract with reference to it, and every provision of law relating to the subject matter of any contract is to be construed as part of the contract itself. These are elementary principles of "text book law."

No lawyer will question any of the last three propositions; but the first, being new to general discussion, may at first blush be challenged, and I therefore deem it well to cite a few authorities in support of it; but first let me state a few elementary and almost self-evident propositions which may aid the general reader in applying the authorities.

(1) Whenever the grantor of a deed or the maker of any contract legally reserves to himself a power, to be exercised at his discretion over the land or other subject of the contract, that power is a legal right.

(2) The highest private title to land held by any person in the United States is a tenancy in fee simple.

(3) One of the conditions upon which all private lands were granted, and are now held, is that the owner shall pay such lawful taxes as the State, county and municipality within which it is situated shall, from year to year, or from time to time, impose.

Assuming these propositions to be unquestionable, I cite no authorities directly in support of them, although several of the authorities cited do incidentally support the third proposition.

THE RESERVED RIGHT OF TAXATION

The right to take private property for public use (either by taxation or eminent domain proceedings) "does not spring from laws or constitutions, but is an inherent incident of governmental sovereignty. . . . This is a right inseparably connected with sovereign power, with or without its recognition by

the constitution."—Supreme Court of Pennsylvania in *Extension of Hancock Street*, 18 Pa., St. 30.

Speaking of the same governmental right, the Supreme Court of the United States says: "Such a power resides in the State government as part of itself, and need not be reserved when property of any description is granted to individuals or corporate bodies."—*North Missouri R. R. vs. Maguire*, 20 Wall., 60.

EXTENT OF THE RIGHT AND POWER OF TAXATION

Justice Cooley in his great work on *Taxation*, which is now the standard legal text book, and which is recognized by the United States Supreme Court as a standard authority on the subject of taxation, says:

"The power of taxation is an incident of sovereignty, and is co-extensive with that of which it is an incident. All subjects, therefore, over which the sovereign power of the State extends are, in its discretion, legitimate subjects of taxation; and this may be carried to any extent which the government may choose to carry it. In its very nature it acknowledges no limits."—Cooley on *Taxation*, pp. 3-4.

The Supreme Court of the United States, in an opinion written by Chief Justice Chase, says: "The judicial cannot prescribe to the legislative department limitations upon the exercise of its acknowledged powers.

"The power to tax may be exercised oppressively upon persons, but the responsibility of the legislature is not to the courts but to the people by whom its members are elected."—*Veazie Bank vs. Feimo*, 8 Wall., 548. See also *Perham vs. Justices*, 9 Geo., 341-352.

The Supreme Court of the United States, in an opinion by the illustrious Chief Justice Marshall, says: "The power to tax involves the power to destroy."—*McCullough vs. Maryland*, 4 Wheat., 427-8. And the same court, through the same chief justice, also says: "If the right to tax exists, it is a right which in its nature acknowledges no limits. It may be carried to any extent within the jurisdiction of the State or corporation which imposes it which the will of such State or corporation may prescribe."—*Weston vs. Charleston*, 2 Peters, 465-6.

THE RIGHT TO CONFISCATE BY TAXATION

Every State has the power to take private property for public use under what it known as the right of "eminent domain," upon making just compensation to the owner, but this is a right entirely different from and unconnected with the equally complete right of the State to take private property for public use by taxation without compensation.

The right of "eminent domain" is exercised against individuals singly, while taxation bears in equal proportion upon all individuals within the State or community. Hence, when the property of one individual is taken for public use while the same kind of property belonging to other members of the community is not taken, he should not bear the burden alone for the benefit of

all, and it is manifestly just that it should be borne in equal proportions by all who occupy the same relation to the public; but where the burden is general, of course there should not be, and cannot be, any such thing as compensation.

Besides, "eminent domain" takes the property absolutely, while taxation does not, even when it exceeds the market value of the property taxed; for by paying the tax the owner is always privileged to retain the property. For these reasons it has been uniformly held by the courts that the provision of a State constitution, "that private property shall not be taken for public use without just compensation, has reference solely to the exercise of the power of "eminent domain," and that "the levying of local assessments (for municipal improvements) is not taking private property for public use under the right of "eminent domain," but is the exercise of the right of taxation inherent in every sovereign State."—*People vs. Mayor of Brooklyn*, 4 Comstock, 419; *Allen vs. Drew*, 44 Vt., 187; *White vs. People*, 94 Ill., 611; *Cooley's Constitutional Limitations*, 497-8.

SUBJECTS OF TAXATION AND RIGHT OF STATE TO DISCRIMINATE

Every State has the reserved power and right to select the subjects of taxation, the only limitation upon this right being that all persons of the same class and all property of the same class shall be equally taxed or equally favored.—*Kentucky R. R. Cases*, 115 U. S., 337; *State R. R. Cases*, 92 U. S., 576; *Tennessee vs. Whitworth*, 117 U. S., 129 and 139; *People vs. Coleman*, 4 Cal., 47; *Lexington vs. McQuillan's Heirs*, 9 Dana (Ky.) 517-18.

Upon this subject Justice Cooley says: "The general right to make exemptions is involved in the right to apportion taxes, and must be understood to exist wherever it is not forbidden."—*Cooley on Taxation*, p. 145.

In some States, as in California, the power of the legislature to make exemptions and discriminations between classes of property is either limited or withdrawn by State constitutional provisions, but the power and the right to select the subject or subjects of taxation still resides in the State, to be exercised by the people instead of the legislature. "It is an inseparable incident of sovereignty." See cases above cited.

OBJECTS OF TAXATION

On this subject Justice Cooley says: "Revenue is not the only purpose of taxation. . . . In levying taxes other considerations not only are, but ought to be, kept in view; the question being always not exclusively how a certain sum of money can be collected for public expenditures, but how, when and upon what subjects it is wise and politic to lay the necessary tax under the existing circumstances, having regard not merely to the replenishing of the treasury, but to the general benefit and welfare of the political society, and taking notice therefore of the manner in which the laying and collection of the tax will affect the several interests in the State."—*Cooley on Taxation*, pp. 9 and 10.

"Neither is it necessary that the object of the tax should benefit the party who is required to pay, e. g., a tax for school purposes levied upon a manufacturing corporation."—*Amesbury Nail Factory vs. Weed*, 17 Mass. 5. 2.

The foregoing is a brief review of the legal and constitutional questions involved in the reforms proposed by the Single Tax programme in the matters of land and taxation. The authorities are selected from a very large number, all of which tend to support the same conclusions, and in the course of my investigation I have found no decision which is at variance with the views and conclusions herein stated.

I therefore confidently assert that the following positions are established beyond controversy by the highest judicial authorities in the United States, namely:

(1) The highest legal title to land in the United States is a tenancy in fee simple.

(2) That title gives the owner and his successors a perpetual legal right to the possession of such land, with certain exceptions which need not be mentioned, subject, however, to the condition that he or they shall pay such taxes as may be levied by the State and minor political authorities within whose jurisdiction such land is located.

(3) Such taxes are entirely within the discretion of the State, as a political sovereignty, and may be at anytime increased to, or above, the full rental value of such land, the only limitation being that all land in the same taxation district shall be taxed in the same proportion.

(4) That each State has a reserved constitutional right, at any time, in its discretion, to exempt all other kinds of property from taxation, and to raise all revenue for public purposes by a single tax upon land values.

(5) That taxes on land are not required to be limited to the amount necessary for public revenue, but that the amount to be raised therefrom may be fixed by other considerations, and is in the discretion of the State.

(6) That all purchasers of land are conclusively presumed to have known the law and to have purchased subject to the rights and powers of the people, as above stated.

(7) That all of the rights and powers above enumerated are fixed and reserved by covenants incorporated by operation of law in every deed passing to or between private land owners.

It follows conclusively from the foregoing considerations and authorities that the people have the same reserved right to take the entire rental value of land by taxation from present owners, that a landlord has to raise the rent of his tenant under a covenant incorporated in his lease, either expressly or by operation of law. No complaint has ever been heard of the invasion of vested rights by landlords in enforcing this covenant against their tenants. If a tenant should claim that an increase of rent would be an invasion of his vested rights, his landlord and the courts would promptly answer: "You have no vested rights to invade. Your lease does not fix your rent, and you were bound to know the law which gave your landlord a right to raise it." That answer is conclusive as against the tenant but it is just as conclusive against landlord

when asserted by the people. If the landlord should object to giving up the rental value of his land for public use, let the people answer: "Your deed does not, and cannot, fix the amount of your taxes; and you, in purchasing the right of possession, were bound to know the law which gave the people a right to increase your taxes to the full rental value of your land; besides, you do not produce the rental value which you collect from your tenants, and you have no moral right to it, while the rental value which we demand from you is produced entirely by the general industry and enterprise of the whole people, and as a matter of natural justice, as also by the law of the land, it belongs to us."

Could demonstration go further than the highest courts of our nation have gone in maintaining and proving the right of the people to take for public purposes the rental values which they create?

LAND VALUES OF FARMS AND CITIES

The value of all farm land in the Pacific and Mountain states—California, Oregon, Washington, Idaho, Nevada, Arizona, New Mexico, Utah, Colorado, Montana and Wyoming, with a total area of 1,117,220 square miles, was less (in 1910) than the land value of New York City.

The value of all farm land in the South Central States—Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas, with a total area of 609,255 square miles, was less (in 1910) than the land value of New York City.

SOUTH AMERICA

Events move rapidly in the progress of Single Tax in South America. Since the article on page 180 was printed there have been several interesting developments.

The Argentine National Government has decreed that no more public lands shall be sold. The decree affects some 200,000,000 acres. The Government has also instituted proceedings to recover lands obtained by fraudulent representations to the Department of Lands.

In The Argentine Province of Mendoza, the Radical Party took part in the Municipal elections in the Capital city, Mendoza, on a Single Tax program, and won the election. Since that event the new City Council has introduced a Single Tax Budget for application to the year 1918.

In Rio Grande do Sul (Brazil,) we have the extraordinary case of the Municipality of Garibaldi obtaining the regime of the Single Tax, by a co-operation of the State Executive in disregard of the letter of the Constitution, the same Executive actually advising the remaining Municipalities of its action, and tacitly inviting them to follow the example of Garibaldi.

NORTH DAKOTA

North Dakota made radical changes in its tax laws this year, (1917) practically taxing improvements only one-sixth as much as land. This is the furthest step taken toward the Single Tax by any State.

The constitution of North Dakota formerly required the general property tax; that is, the taxation of all property at the same rate. In 1914, the constitution was amended so as to permit classification, and apparently the text would allow the exemption of any class of property, although the legislature seemed to doubt its power to give entire exemption.

At the session of 1917 the assessable property of the State was divided into three classes. Class one comprises all land (both city and country) railroad, express, and telegraph property, and bank shares, to be assessed at thirty per cent. of its full value. Class three includes all household goods, wearing apparel, and structures and improvements upon farm land, such property to be assessed at five per cent. of its full value. The law provides that cities may by referendum vote bring their buildings within this classification. All other property is included in class two and is to be assessed at twenty per cent. of its actual value; this will include city buildings, unless otherwise voted.

The effect of these changes is, (1) that buildings and improvements upon farm land will be taxed only one-sixth as much as land, (2) that cities may bring their buildings under this provision, and (3) that otherwise city buildings will be taxed two-thirds as much as land.

Hon. F. E. Packard, a member of the North Dakota State Tax Commission, in commenting upon this legislation says:

"The peculiar thing about this classification was the perfect willingness of the farmer legislators to include acre property in the classification with railroads, bank stock, and other public service corporations. This is a very strong indication of the Single Tax sentiment among the farmers in North Dakota. As real property embraces 70 per cent. of all taxable property, it can be seen that this classification means something to the land owners of North Dakota."

This legislation is the result of a formidable movement among the farmers of the State, who organized the Farmer's Non-Partisan League last year and elected all State officials, except the treasurer, and an overwhelming majority of the lower house in the legislature. Their platform called for the exemption of farm improvements from taxation, but, as there was some doubt as to the constitutionality of complete exemption, the classification plan was adopted instead.

THE SINGLE TAX PLATFORM

ADOPTED BY THE NATIONAL CONFERENCE OF THE SINGLE TAX LEAGUE OF
THE UNITED STATES AT COOPER UNION, NEW YORK, SEPT. 3, 1890

We assert as our fundamental principle the self-evident truth enunciated in the Declaration of American Independence, that all men are created equal, and are endowed by their Creator with certain unalienable rights.

We hold that all men are equally entitled to the use and enjoyment of what God has created and of what is gained by the general growth and improvement of the community of which they are a part. Therefore, no one should be permitted to hold natural opportunities without a fair return to all for any special privilege thus accorded to him, and that value which the growth and improvement of the community attach to land should be taken for the use of the community.

We hold that each man is entitled to all that his labor produces. Therefore no tax should be levied on the products of labor.

To carry out these principles we are in favor of raising all public revenues for national, State, county and municipal purposes, by a Single Tax upon land values, irrespective of improvements, and of the abolition of all forms of direct and indirect taxation.

Since in all our States we now levy some tax on the value of land, the Single Tax can be instituted by the simple and easy way of abolishing, one after another, all other taxes now levied, and commensurately increasing the tax on land values, until we draw upon that one source for all expenses of government, the revenue being divided between local governments, State governments, and the general government, as the revenue from direct taxes is now divided between the local and State governments; or, a direct assessment being made by the general government upon the States and paid by them from revenues collected in this manner.

The Single Tax we propose is not a tax on land, and therefore would not fall on the use of land and become a tax on labor.

It is a tax, not on land, but on the value of land. Thus it would not fall on all land, but only on valuable land, and on that not in proportion to the use made of it, but in proportion to its value—the premium which the user of land must pay to the owner, either in purchase money or rent, for permission to use valuable land. It would thus be a tax not on the use or improvement of land, but on the ownership of land, taking what would otherwise go to the owner as owner, and not as user.

In assessments under the Single Tax all values created by individual use or improvement would be excluded, and the only value taken into consideration

would be the value attaching to the bare land by reason of neighborhood, etc., to be determined by impartial periodical assessments. Thus the farmer would have no more taxes to pay than the speculator who held a similar piece of land idle, and the man who on a city lot erected a valuable building would be taxed no more than the man who held a similar lot vacant.

The Single Tax, in short, would call upon men to contribute to the public revenues, not in proportion to what they produce or accumulate, but in proportion to the value of the natural opportunities they hold. It would compel them to pay just as much for holding land idle as for putting it to its fullest use.

The Single Tax therefore would—

(1) Take the weight of taxation off of the agricultural districts where land has little or no value irrespective of improvements, and put it on towns and cities where bare land rises to a value of millions of dollars per acre.

(2) Dispense with a multiplicity of taxes and a horde of tax-gatherers, simplify government and greatly reduce its cost.

(3) Do away with the fraud, corruption and gross inequality inseparable from our present methods of taxation, which allow the rich to escape while they grind the poor. Land cannot be hid or carried off, and its value can be ascertained with greater ease and certainty than any other.

(4) Give us with all the world as perfect freedom of trade as now exists between the States of our Union, thus enabling our people to share, through free exchanges, in all the advantages which nature has given to other countries, or which the peculiar skill of other peoples has enabled them to attain. It would destroy the trusts, monopolies and corruptions which are the outgrowths of the tariff. It would do away with the fines and penalties now levied on anyone who improves a farm, erects a house, builds a machine, or in any way adds to the general stock of wealth. It would leave everyone free to apply labor or expend capital in production or exchange without fine or restriction, and would leave to each the full product of his exertion.

(5) It would, on the other hand, by taking for public use that value which attaches to land by reason of the growth and improvement of the community make the holding of land unprofitable to the mere owner, and profitable only to the user. It would thus make it impossible for speculators and monopolists to hold natural opportunities unused or only half used, and would throw open to labor the illimitable field of employment which the earth offers to man. It would thus solve the labor problem, do away with involuntary poverty, raise wages in all occupations to the full earnings of labor, make overproduction impossible until all human wants are satisfied, render labor-saving inventions a blessing to all, and cause such an enormous production and such an equitable distribution of wealth as would give to all comfort, leisure and participation in the advantages of an advancing civilization.

With respect to monopolies other than the monopoly of land, we hold that where free competition becomes impossible, as in telegraphs, railroads, water and gas supplies, etc., such business becomes a proper social function, which

should be controlled and managed by and for the whole people concerned, through their proper government, local, State or national, as may be.¹

¹The second Single Tax Conference, held at the Columbian Exposition, in Chicago, affirmed August 30, 1893, this platform, except the last paragraph, "With respect to monopolies," etc. For this paragraph the Chicago Conference substituted the following: "In securing to each individual his equal right to the use of the earth, it is also a proper function of society to maintain and control all public ways for the transportation of persons and property and the transmission of intelligence; and also to maintain and control all public ways in cities for furnishing water, gas and all other things that necessarily require the use of such common ways." Henry George himself drafted the platform adopted in New York in 1890, including the final paragraph, and was chairman of the committee that reported it. As a member of the Conference at Chicago he opposed and voted against the alteration. —ARTHUR NICHOLS YOUNG'S *History of the Single Tax Movement in the United States*.

BOOKS FOR THE STUDENT

A complete bibliography of Single Tax literature is printed in succeeding pages. For those who wish to study the Single Tax philosophy and its application to current economic and political problems the following principal works are suggested:

Progress and Poverty, by Henry George.

This is the foundation work of the Master, in which the theory and principle are elaborately but compactly treated.

Social Problems, by Henry George.

Short chapters in popular style treating of the principle as related to current events.

Protection or Free Trade, by Henry George.

Showing that real free trade requires the removal of obstructions to production at home as well as obliteration of tariff barriers.

The Story of My Dictatorship.

A work printed anonymously, but written by Messrs. Berens and Singer, of London. Presents in the guise of fiction the methods by which the Single Tax could be put into practical operation, with the resultant effect on Wages, Unemployment, etc.

Taxation of Land Values, by Louis F. Post. (Early editions published as *Outlines of the Single Tax*.)

This work is based on a series of lectures delivered by Mr. Post and is illustrated with charts and diagrams. Contains also Answers to Questions, many of which were put to the lecturer. An excellent brief statement of the practical aspects.

Natural Taxation, by Thomas G. Shearman.

Treats of the Single Tax as the natural method of raising public revenue.

The Principles of Natural Taxation, by C. B. Fillebrown.

A compilation of extracts from the writings of Henry George, Dr. McGlynn, Thomas G. Shearman and others. With some chapters from Mr. Fillebrown's *A. B. C. of Taxation*. It is an elaboration of the viewpoint set forth by Thomas G. Shearman, in *Natural Taxation*.

History of the Single Tax Movement in the United States, by Prof. Arthur Nichols Young.

A very thorough and sympathetic account of the movement in the United States told by a competent investigator not himself a Single Taxer.

BIBLIOGRAPHY

INTRODUCTORY NOTE

This Bibliography includes two distinct parts: I. Selected Bibliography of American Literature on the Single Tax question, and II. List of Bibliographies of the Single Tax, the land question and land taxation.

Part I. is an enlargement of a "Bibliography of select references" that accompanied the writer's book on *The Single Tax Movement in the United States*. It is limited to the American literature dealing with the Single Tax question, and includes (1) books and pamphlets and (2) the most important articles in periodicals. The compiler has undertaken to list the most important items under each of the several heads, a procedure that has necessarily involved considerable selection because almost every class of items could easily have been expanded. The intention has been to omit that part of the voluminous literature that is of least permanent interest and worth.

Because of the close relation between the Single Tax movement and the movement for the special taxation of land it has been difficult in some cases to decide what of the material relating primarily to the latter topic should be included. In doubtful cases however the compiler has chosen to err on the side of inclusion.

In Part II are listed fourteen bibliographies dealing with the Single Tax, the land question, and land taxation. The chief literature relating to these topics both American and European is given comprehensively in these bibliographies, the most useful of which are in Fallon's *Le plus-values et l'impôt*, Scheftel's *The taxation of land value*, and the *Handwörterbuch der Staatswissenschaften*.

The compiler has had in mind serviceability for the general inquirer as well as for those who may wish to go more thoroughly into these questions. To that end a few of the most important references have been marked with a star.—A. N. Y.

PART I. SELECTED BIBLIOGRAPHY OF AMERICAN LITERATURE ON THE SINGLE TAX QUESTION

A. STATEMENTS OF THE SINGLE TAX ARGUMENT

I. Books and pamphlets.

- (1) Prior to 1890.
- (2) From 1890 to 1899.
- (3) Since 1900.

II. Articles in periodicals.

- (1) Prior to 1890.
- (2) From 1890 to 1899.
- (3) Since 1900.

III. *Single Tax periodicals.*

B. CRITICISMS OF THE SINGLE TAX ARGUMENT

I. *Books and pamphlets.*

- (1) Prior to 1890.
- (2) From 1890 to 1899.
- (3) Since 1900.

II. *Criticisms in periodicals.*

- (1) Prior to 1890.
 - (a) Reviews of George's "Progress and Poverty" in California periodicals.
 - (b) Reviews of George's "Progress and Poverty" in other American periodicals.
 - (c) Other criticism prior to 1890.
- (2) From 1890 to 1899.
- (3) Since 1900.

C. GENERAL REFERENCES

I. *Public documents.*

II. *Other references.*

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SINGLE TAX ORGANIZATIONS

THE INTERNATIONAL JOSEPH FELS FUND

The Joseph Fels Fund of America was founded in 1909 by Joseph Fels, of Philadelphia. Mr. Fels agreed to double contributions of all others combined, up to \$25,000 annually for Single Tax work in the United States. Since his death in 1914 his work has been continued by Mrs. Fels. Help has been extended to campaigns begun and carried on by local Single Taxers in a number of States and cities. Papers useful to the movement have been aided. A press bureau was established to supply news and editorial matter to papers willing to use it. Appointments were made for lecturers and other means for advancing the movement were employed.

The policy of duplicating the contributions of Single Taxers was abandoned by Mrs. Fels in 1915. The Joseph Fels Fund Commission with Daniel Kiefer of Cincinnati as chairman, ceased to exist in 1916 and in its place was substituted the American Section of the Joseph Fels Fund, with headquarters at 122 East 37th Street, New York City.

THE NATIONAL SINGLE TAX LEAGUE

When the Fels Fund Commission ceased to exist the National Single Tax League was formed in 1917, a constitution adopted and a national committee elected, with Daniel Kiefer as chairman. The *Bulletin*, published monthly, is the official organ of the League, issued from the headquarters at 77 Blymer Building, Cincinnati, Ohio.

SINGLE TAX INFORMATION BUREAU

This Bureau was established by E. B. Swinney in May, 1903, for the purpose of supplying Single Tax pamphlets and leaflets to students of the subject and to selected lists. Requests for literature have been received from all parts of the civilized world to the number of 16,644. Number of pieces of literature sent out to June 1, 1917, 577,080. Receipts \$3,653.99. Expenditures, chiefly for literature and postage, \$3,665.94. The work is supported by voluntary contributions and no charge is made for personal services. Headquarters of the Single Tax Information Bureau, 120 Broadway, New York City.

SINGLE TAX SERVICE LEAGUE

The Single Tax Service League is a propaganda organization established in 1915. Miss Mary B. Ely is president; E. B. Swinney, treasurer, and Miss Grace Isabel Colbron, secretary. Its principal activities so far have consisted in sending out 13,045 Single Tax pamphlets and maintaining two and sometimes three lecturers in the Southern, New England and Middle West States, filling daily engagements for the past four months.

The work is supported by volunatry contributions.

Receipts to date, June 1st, 1917	\$2,329.15
Expenditures	2,190.88
	<hr/>
Balance on hand	\$ 138.27
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Headquarters of the Single Tax Service League, 1482 Broadway, New York City.

THE HENRY GEORGE LECTURE ASSOCIATION

The Henry George Lecture Association consists of a group of nearly 4,000 men and women interested in the Single Tax and related questions. These friends have co-operated since 1903 for the purpose of retaining John Z. White and other lecturers in the field.

The management of the Henry George Lecture Association and all details connected with it have been under the personal direction of Frederick H. Monroe, the president of the Association.

The Association during its career has utilized the services of many men and women prominent in Single Tax propaganda, including in addition to John Z. White, the late Ernest Howard Crosby, John W. Bengough (cartoonist) Herbert S. Bigelow, Bolton Hall, Chas. Frederick Adams, the late Henry George, Jr., Miss Grace Isabel Colbron, Henry H. Hardinge and many local speakers.

The method of work from the beginning has been to place the speakers before the most influential organizations without expense to the latter. To accomplish this purpose the influence of the four thousand members of the Association has been evoked to the fullest extent. Speakers of the Henry George Lecture Association are at present addressing leading business organizations, Teachers' Organizations, Women's Clubs, Colleges and Universities throughout the country. They have thus exercised an influence which has been cumulative and far-reaching.

Since 1903 more than 5,000 such organizations have been addressed and approximately 1,000,000 persons. Over 500,000 pieces of literature have been distributed. The Association had published 250,000 of Judson Grennell's famous little booklet first published in the Single Tax Review, and entitled *The Single Tax—What it is and What it Will Accomplish*.

The Association has received much favorable publicity through the daily press. The work has been financed by voluntary contributions. The ferreting out of progressive people sufficiently interested to aid financially educational work of this character has in itself developed a strong organization that wields a quiet but powerful and constantly increasing influence.

Mr. Frederick H. Monroe, the president of the Association, has crossed the United States from ocean to ocean twenty-two times in the past fourteen years, besides doing much other traveling. Altogether he has covered nearly 300,000 miles in connection with this work, interviewed personally nearly 20,000 different persons and distributed personally nearly 50,000 pieces of Single Tax literature.

Headquarters are maintained at 538 S. Dearborn Street, Chicago, Ill.

NEW YORK STATE SINGLE TAX LEAGUE

The origin of the New York State Single Tax League dates from a dinner given by William Lustgarten of this city to about twenty-five Single Taxers at the Reform Club, on June 16, 1913. Many of those present had gone through the campaigns of 1886, 1887 and 1897, and were eager for a renewal of the activities which had aroused their enthusiasm in those years. Mr. Lustgarten announced that he had in hand a fund for preparatory work, and the labor of enlisting the co-operation of Single Taxers of the State was at once begun.

The first annual convention was held at Albany on July 4, 1913, when the New York State Single Tax League was formed, with Horace Sague, of Poughkeepsie, as president, and Benjamin Doblin, secretary.

The second annual convention was held at Buffalo in 1914, the third at New York City in 1915, and the fourth at Syracuse in 1916, in the halls of the Syracuse University.

James F. Morton, Jr., is the field lecturer of the League and has covered the State from end to end, addressing all sorts of audiences, and arousing a wide and deep interest in the Single Tax. He is now working and speaking throughout the State and promoting the formation of local organizations in towns and cities visited.

The headquarters of the League are at 68 William Street, New York City. Officers Joseph Dana Miller, president; Benjamin Doblin, treasurer; Thos. H. Work, secretary.

THE MANHATTAN SINGLE TAX CLUB

The Manhattan Single Tax Club was organized in 1888. William H. Faulhaber was its first president and Chas. P. Kelly its first recording secretary. Its earliest headquarters were at 105 Second Avenue. There were other Single Tax Clubs at this time in Manhattan that affiliated with the Manhattan Single Tax Club, among which were the Yorkville Single Tax Club,

Arthur Fiegel, president; the Harlem Single Tax Club, John J. Hopper president; West Side Single Tax Club, Dr. Wark, president.

In the year of its formation the club tendered Henry George a dinner when he returned from his trip abroad, and the speakers were Henry T. Terry, Major A. R. Calhoun, Col. Donn Piatt (once Lincoln's private secretary) John DeWitt Warner, Louis F. Post, Thomas G. Shearman, W. J. Atkinson, W. B. Estell and Henry George.

In February 1889 itinerant truck campaigns were started. About this time was begun the annual celebrations of the birthday of Thomas Jefferson, which the club has continued down to the present day.

The efficient work of the Club in civic activities for nearly twenty years gave it great prominence in the city. It helped to secure the separation of land and improvements in assessments and to obtain assessment of real estate at full value. Its ringing pronouncements when public rights were imperiled on more than one occasion gave pause to the official tools of privilege. It helped materially the agitation for ballot reform. It contributed by its influence to the election of Grover Cleveland.

Its list of presidents includes many of the most active workers for the cause, some of whom have since become the holders of prominent official posts. Among these are Hon. Samuel Seabury, (later Judge of the Court of Appeals, and Democratic candidate for governor of the State of New York); William H. Faulhaber, Hon. Frederick C. Leubuscher, Alfred Bishop Mason, James R. Brown, Robert Schalkenbach, A. J. Steers, Hon. John J. Hopper, (now Register of New York County); Hon. Lawson Purdy, (now the city's Tax Commissioner); Hon. Edward Polak, (now Register of the Bronx); John T. McRoy and others.

Its present headquarters are at 47 West 42nd Street, New York City. James R. Brown, president; E. H. Underhill, secretary.

LIST OF ORGANIZATIONS—DOMESTIC

NATIONAL

NATIONAL SINGLE TAX LEAGUE, Daniel Kiefer, Chairman; 77 Blymer Bl'd'g, Cincinnati, Ohio.

AMERICAN SECTION OF THE INTERNATIONAL JOSEPH FELS FUND, 122 E. 37th Street, New York City.

WOMEN'S NATIONAL SINGLE TAX COMMITTEE, Mrs. John S. Crosby, Pres.; Miss Jennie A. Rogers, Sec., 485 Hancock St., Brooklyn, N. Y.

THE GREAT ADVENTURE FOR THE SINGLE TAX, Wm. Wallace, Pres.; Luke North, Vice-Pres.; James H. Dix, Sec.; Chas. H. Ingersoll, Treas.; Headquarters, 1515 Arch St., Philadelphia, Pa.

ALABAMA FAIRHOPE SINGLE TAX CORPORATION (Single Tax colony), Fairhope, Alabama; E. B. Gaston, Secretary.

CALIFORNIA

EQUITY TAX LEAGUE OF SAN FRANCISCO, 150 Pine St., Hon. James G. Maguire, Honorary Pres.; Fred W. Workman, Acting Secretary.

OAKLAND TAX LEAGUE, Henry T. Dessau, Pres.; R. R. Waterbury, Secretary.

SAN DIEGO SINGLE TAX SOCIETY, Webster's Book Store, 8th St. near D., Rev. H. C. Dunham, Pres.; W. R. Edwards, Field Sec.; C. R. Colbourn, Acting Secretary.

EQUITY TAX LEAGUE OF BERKELEY, Hon. J. Stitt Wilson, Pres.

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POMONA SINGLE TAX LEAGUE, Pomona, Harold Whitmore, Vice-Pres.; Edmund Norton, Field Lecturer.

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COLORADO SINGLE TAX ASS'N., Morris B. Ratner, Pres., Ben. J. Salmon, Sec., 220 National Safety Vault Bld'g., Denver.

WESTERN SINGLE TAX LEAGUE, Pueblo, Mrs. Gallup, Pres.

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THE GEORGIA SINGLE TAX LEAGUE. Carl Kurston, Pres.; Mrs. Emma L. Martin, Vice-Pres., and Treas.; Edward White and Dr. Grace Kirtland, Sec'ys., 358 Heil St., Atlanta.

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ILLINOIS SINGLE TAX LEAGUE, Louis Wallis, Chairman; Hugh Reid, Sec., 509 Schiller Bl'd'g., Chicago.

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MICHIGAN SITE VALUE TAX LEAGUE, Andrew Fyfe, Pres.; F. F. Ingram, Vice-Pres.; Judson Grenell, Sec., Waterford.

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ORANGE SINGLE TAX ASSOCIATION, C. H. Fuller, Sec., 43 Lafayette Ave., Middletown.

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SINGLE TAX PARTY OF NEW YORK, 252 W. 14th St., New York City, Gaston Haxo, Secretary.

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BROOKLYN WOMEN'S SINGLE TAX CLUB, Miss Jennie A. Rogers, 485 Hancock St., Brooklyn.

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CAMBRIA COUNTY SINGLE TAX CLUB, Warren Worth Bailey, Pres., M. J. Boyle, Sec.; Johnstown.

PHILADELPHIA SINGLE TAX SOCIETY, 1515 Arch St., Frederick W. Rous, Secretary.

SINGLE TAX CLUB OF PITTSBURG, Wayne Paulin, Sec., 5086 Jenkins Arcade.

SINGLE TAX PARTY, Oliver McKnight, Sec., 1515 Arch St., Philadelphia,

RHODE ISLAND

RHODE ISLAND TAX REFORM ASS'N, Ex-Gov. L. F. C. Garvin, Pres., Lonsdale; David S. Fraser, Sec., Providence.

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SOUTH DAKOTA CENTRAL TAX REFORM LEAGUE, Dr. Chas. J. Lavery, Sec., Aberdeen.

TENNESSEE

MEMPHIS SINGLE TAX ASSOCIATION, Abe D. Waldauer, Sec., Exchange Bl'd'g., Memphis.

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TEXAS LEAGUE FOR THE TAXATION OF LAND VALUES, William A. Black, Sec., 211 Fifth Street, San Antonio.

DALLAS SINGLE TAX LEAGUE, G. B. Foster, Sec.-Treas., Dallas.

SAN ANTONIO ECONOMIC STUDY CLUB, E. G. Le Sturgeon, Pres., San Antonio.

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SPOKANE SINGLE TAX LEAGUE, W. Matthews, Sec., 7 Post St., Spokane.

WISCONSIN

MILWAUKEE SINGLE TAX CLUB, 404-5 Colby-Abbot Bl'd'g, Milwaukee.

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SINGLE TAX ASSOCIATION OF ONTARIO, Sydenham Thompson, Sec., 33 Richmond St., West Toronto, Ontario.

SINGLE TAX LEAGUE OF WESTERN CANADA, S. J. Farmer, Sec.-Treas., 406 Chamber of Commerce Bl'd'g., Winnipeg, Man.

LIST OF ORGANIZATIONS—FOREIGN

SOUTH AMERICA

LIGA ARGENTINA PARA EL IMPUESTO UNICO (Argentine Single Tax League). Avenida de Mayo, 1297. Buenos Aires. Dr. Jose Bianco, President.

COMITE SUDAMERICANO PARA EL IMPUESTO UNICO, (South American Single Tax Committee). Dr. Felix Vitale, President; Local branches in Argentine, Bolivia, Brazil, Paraguay, Peru, Uruguay.

AUSTRALIA

VICTORIA LAND VALUE LEAGUE, London House, Melbourne.

DENMARK

HENRY GEORGE LEAGUE, Jakob E. Lange, President; Mrs. S. Bjorner, Secretary.

NEW ZEALAND

NEW ZEALAND LAND VALUES LEAGUE, 119 Victoria Arcade, Auckland. George Fowlds, President. Wellington Branch, R. A. Hould, Secretary; Christchurch Branch, C. H. Nightingale, Secretary; Dunedin Branch, L. F. Evans, Secretary.

NORWAY

HENRY GEORGE LEAGUE, Christiana

SPAIN

LIGA PAR EL IMPUESTO UNICO (Single Tax League).

SWEDEN

LEAGUE OF THE DEMOCRACY OF JUSTICE, Stockholm

GERMANY

BODENREFORM LEAGUE, Adolph W. F. Damaschke, President, Berlin.

GREAT BRITAIN

UNITED COMMITTEE FOR THE TAXATION OF LAND VALUES, 11 Tothill St., London, S. W. 1.

ENGLISH LEAGUE, 376, Strand, London, W. C. 2. Frederick Verinder, General Secretary.

YORKSHIRE AND NORTHERN LEAGUE, 71 North St., Keighley. Fred. Skirrow, Secretary.

MIDLAND LEAGUE, 20 Cannon Street, Birmingham. Chapman Wright, Secretary.

WELSH LEAGUE, 98 Queen Street, Cardiff; Edgar R. Jones, M. P., President, E. A. Davies, Secretary.

SCOTTISH LEAGUE FOR TAXATION OF LAND VALUES, 67 West Nile Street, Glasgow. J. Dundas White, M. P., President; James Busby, Secretary.

EDINBURGH LEAGUE, 3 London Street. H. S. Murray, President; A. W. Madsen, Secretary.

LIST OF JOURNALS SUPPORTING THE SINGLE TAX¹

DOMESTIC

Single Tax Review, 150 Nassau St., N. Y. City, Annual subscription \$1.

The Public, 122 East 37th Street, New York City, Annual subscription \$1.

The Star, San Francisco, Cal., Annual subscription \$1.

Fairhope Courier, Fairhope, Alabama, Weekly, Annual subscription \$1.

The Ground Hog, Weekly. David Gibson, publisher, Cleveland, Ohio.

Annual subscription, 50 cents.

The Mirror, St. Louis, Mo., Annual subscription \$2.

¹This is a list only of such periodical publications as are devoted to the Single Tax or are open in the advocacy of the principle. But there are hundreds of daily and weekly newspapers in the United States, and many real estate and farm journals, which are more or less pronounced in the approval of practical measures in the direction of exclusive land value taxation.

Single Tax Herald, 52 No. 6th St., Philadelphia, Pa. Weekly, Annual subscription, \$1.

Johnstown Democrat, Johnstown, Pa., Daily except Sundays, Annual subscription \$3.

Christian Science Monitor, Daily, Boston, Mass.

The Square Deal, 33 Richmond St., West Toronto, Canada, Annual subscription 50 cts.

The World, Daily, Vancouver, B. C.

Le Democrat, Weekly, St. Boniface, Man., Can., published in French, Flemish and English.

The Citizen, Daily, Ottawa, Canada.

The Globe, Daily, Toronto, Canada.

Areopagitica: A periodical of pragmatism, Robert D. Towne, Editor. Monthly, Scranton, Pa., annual subscription, \$1.

Tax Talk, Los Angeles, Cal., Annual subscription 25 cents.

Everyman, Los Angeles, Cal., Annual subscription \$1.

The Farmers' Open Forum, 36-39 Bliss Bl'd'g., Washington, D. C., subscription \$1 per year; in clubs of ten or more, 50 cents.

Agricultural Grange News, Olympia, Wash.; official organ of the Washington State Grange; monthly, 25 cents per year.

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Land Values, Monthly, 11 Tothill St., London, S. W., England, 50 cts a year.

The Liberator, Monthly, Auckland, New Zealand.

Progress, Monthly, Melbourne, Victoria, 50 cents a year.

The Standard, Monthly, Sydney, New South Wales, Aus., 50 cents a year.

Den Lige Vej, Copenhagen, Denmark.

Relfærd, Monthly, Christiania, Norway.

Bodenreform, Adolph Damashke, editor, 32 Lessing Str., Berlin, Germany.

El Impuesto Unico, Antonio Albendin, editor, Malaga, Spain.

Revista del Impuesto Unico, Buenos Aires, Republica Argentina.

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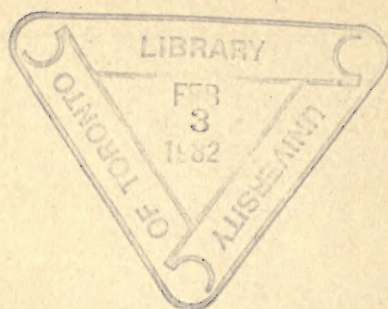
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